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Need for Republics' Integration Viewed

PM1609104993 Moscow KRASNAYA ZVEZDA in Russian 11 Sep 93 p 2

[Observer Aleksandr Golts article under the "Topic of the Week" rubric: "Concessions Are Being Made, of Course. But Not to Moscow—to Common Sense"]

[Text] The past week has been dominated by a search for paths toward real integration within the CIS framework and a way out (a general purpose way out would seem to be the principal objective) of the blind alleys into which the former Union republics have driven themselves in attempting to build a life independently of each other. Representatives from Armenia, Belarus, Kazakhstan, Russia, Tajikistan, and Uzbekistan have signed an agreement "On Practical Measures To Establish a New-Style Ruble Zone." This is a practical, not just a high-sounding step toward the creation of an economic union and the establishment of fundamentally new interstate relations between the republics of the former USSR. Despite the difference between Moscow and Kiev's interpretation of what happened at the Crimea meeting between Boris Yeltsin and Leonid Kravchuk, it is clear that a realistic if not particularly simple way to eliminate the contradictions regarding the issue of the USSR's nuclear inheritance and the Black Sea Fleet does exist. Azerbaijani leader Geydar Aliyev did not conceal his intention to join the CIS when he visited Moscow.

More or less clear prospects have thus been outlined for the Commonwealth, which, let us be frank, has had one foot in the grave throughout the short time it has been in existence. There are things, however, which cannot fail to cause alarm. Yet again positive trends could be obliterated by emotions. Take a look at the newspaper headlines. They would be better suited to report boxing matches than to describe extremely complex interstate relations. So-and-so has won, so-and-so has lost. And whereas in Russia, for example, a number of politicians and journalists use this style to rejoice at their victory, the reaction in other republics is exactly the opposite. In these republics leaders are accused of practically betraying national interests.

I can still understand those colleagues of mine who need a furor or conflict in order to fill their newspapers with sensational material, but I refuse to understand politicians who conduct conversations along the lines of who has "put the squeeze" on whom. After all, if we take a serious view of the situation, then all of us, and that includes everyone in Russia, has "had the squeeze put on us" by real life. It appears that attempts to survive economically in isolation have come to nothing. Hopes for the development of mutually advantageous trade with countries outside the Commonwealth have for the most part turned out to be built on sand. Nobody is burning with a desire to let us into their markets.

I will not venture to predict the distant future, but it is already clear that while they are in the process of reforming their economies, all the former Union republics require consumers and partners in the Commonwealth most of all. Others simply do not exist. An economic union, a new ruble zone—all this, of course, is a retreat from the former demagogic declarations of outright independence. But these are not concessions to Moscow. These are concessions to elementary common sense.

What is more, all the republics are now faced with problems of ensuring security, even though these are not expressed in quite such an obvious way as economic problems. Especially if we bear in mind that several conflicts are raging on the territory of the former USSR. Moreover, third countries are clearly involved in what is happening in Tajikistan and Karabakh.

The issue of pooling our efforts to ensure peace and stability throughout Commonwealth territory is inevitably on the agenda. But here we need to overcome the demagogic approach, which invests armed forces with some kind of mystical significance. Let us recall on what principle national armies were formed. Did they really think about defense sufficiency and a rational approach? Certainly not. They obeyed just one principle: A new state owns everything on its territory.

And now it turns out that some CIS members are simply unable to maintain their armies. At the same time they have not answered the question of whether or not they really need a particular fragment of the USSR Armed Forces. Ukraine is the most obvious example. Today nationalist politicians in Kiev are becoming truly hysterical about "giving away nuclear weapons and the Black Sea Fleet." But up to now I have heard no clear explanation of how, basically, the possession of nuclear weapons can help to ensure Ukraine's independence and strengthen its international prestige.

What, is someone seriously thinking about nuclear deterrence in relation to Russia? But this is no longer beyond the bounds of morality. It is beyond the bounds of elementary common sense. As far as prestige is concerned, the only thing Kiev has been able to achieve is the dubious status of a general irritant.

At the same time the issue of the real defense and security needs that naturally exist in every republic is not being taken care of. But it is more rational to meet these needs together. However, this certainly does not mean that it is mandatory to pool armed forces, an idea that has clearly not yet been vindicated. Perhaps the establishment of coalition forces to resolve certain tasks will be more practical. We could also discuss the idea of handing over bases in CIS states to the Russian Army so that it could ensure the security of both Russia and the countries concerned.

Specific formulas are of secondary importance here. The main thing is to talk about real defense needs and search for formulas that are tailored to them. If in the political

arena we move away from symbols toward real problems, it will very soon become apparent that no one would lose out if we were to integrate, nor should they have to.

ITAR-TASS Carries Press Review for 16 Sep

LD1609061093 Moscow ITAR-TASS in English 0507 GMT 16 Sep 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow September 16—The recent developments in Georgia are in the focus of attention of today's press.

NEZAVISIMAYA GAZETA carries an article of its correspondent on this subject under the headline "Eduard Shevardnadze Has Had His Way. A state of emergency has been imposed on the republic for a period of two months, and the work of the parliament has been suspended." Shevardnadze got an opportunity to use all the advantages of this situation and take the situation in the country under full control, the newspaper points out. According to NEZAVISIMAYA GAZETA, "the nation actually gave a vote of confidence to Shevardnadze and a vote of non-confidence to the parliament and the opposition."

KOMSOMOLSKAYA PRAVDA also published an article on this subject. In its opinion, the situation we are witnessing is "the final stage of Shevardnadze's struggle for real power." The newspaper expresses doubt that two months will be enough for the head of state to improve the situation in the republic.

PRAVDA and SOVETSKAYA ROSSIYA carry articles about the situation in Georgia under the same headline: "Georgia is Down on Its Knees." The latter stresses that the Georgian leader "has not lived up to the expectations and has failed to keep his promises: He has not managed to improve the economic situation, has actually lost the war with Abkhazia and has failed to keep the opposition from armed actions." In the opinion of PRAVDA, "the scheme of imposing dictatorship was tested in the Caucasus."

KRASNAYA ZVEZDA frontpages an article, which is entitled "Situation With Nuclear Weapons in Ukraine is Getting Overheated. Will it Bring Ambitious Politicians to Their Senses?" The thing is that air temperature parametres changed in the depot, situated near the city of Pervomaisk, where nuclear weapons are stockpiled. According to the newspaper, it cannot be regarded as an accident, but it should become reason enough for politicians to start thinking about possible consequences of their actions. Now it so happens that the chief designers of nuclear weapons cannot guarantee their safety. The newspaper expresses hope that the alarming developments in Pervomaisk will induce politicians to take more sober-minded decisions.

KRASNAYA ZVEZDA carries an interview with Andrey Nikolayev, commander of the frontier guard troops of the Russian Federation. "On the current stage the reliable protection of borders of the former USSR meets the common interests of the CIS member states and the national interests of Russia," he said. In his opinion, this will make it possible to let the borders between the CIS member states remain "transparent".

NEZAVISIMAYA GAZETA also writes about the participation of Russian troops in the protection of the Tajik-Afghan border. Its article is entitled "Russian Army in the Tajik War: Objectives Are Not Clear, Combat Preparedness is Not High, and There is No Strategy Whatsoever." In the opinion of the newspaper, the Russian Army will not be able to maintain armed neutrality or remain on the positions of passive defence in Tajikistan, and it is quite possible that the situation will develop into a "long war, similar to the conflict in Afghanistan of the Israeli-Palestinian confrontation."

Plane En Route From Baku to Perm Hijacked

Refuels in Kiev

LD1509172593 Moscow Russian Television Network in Russian 1600 GMT 15 Sep 93

[From the "Vesti" newscast]

[Excerpts] Three Azerbaijani terrorists hijacked a plane today en route from Baku to Perm and forced it to land in Kiev's Borispol Airport. The terrorists have taken 40 passengers hostage and negotations have been held with them. We have just received information that after refueling, the plane left for Norway with the hostages. As a rule, plane hijackers come from the the Caucasus, where the situation is very unstable. [passage omitted]

We have just received another report about the plane hikacked en route from Baku and diverted to Ukraine and then to Norway. According to Ukraine's Ministry of Internal Affairs, the hijackers are not citizens of Azerbaijan but of Iran.

Heads for Norway

AU1509162993 Paris AFP in English 1617 GMT 15 Sep 93

[Text] Kiev, Sept 15 (AFP)—A Russian Tupolev 134 airliner with 45 people aboard was hijacked Wednesday [15 September] on its way from Baku in Azerbaijan to Perm in the Russian Urals and headed for Norway after a stopover in the Ukrainian capital, authoritative sources at Kiev airport said.

None of the passengers was released by the hijackers, three people armed with grenades and a bomb who had earlier demanded to be taken to Iran.

One of the hijackers was carrying a grenade attached to his waist. Another appeared at a port-hole to show that he was carrying an explosive device, the sources said.

The Ukrainian interior ministry, quoted by Interfax news agency, said the hijackers were Iranian nationals. An earlier report said they were Azerbaijanis. Most of the passengers were Russian.

Interfax said earlier that Mikhail Osabin, the captain of the airliner, had radioed that the "terrorists" were demanding that the plane make a refuelling stop at the main airport in Kiev. They had first demanded a stopover at Moscow, but the request had been refused, according to initial reports.

The airport sources said the hijackers had obtained a new crew specialising in long-haul flights along with a refuelling of the aircraft. The aircraft took off from the airport at 1515 GMT.

Kiev airport was closed to all traffic and anti-terrorist groups were stationed around the airport.

Lands in Oslo

LD1509194093 Moscow ITAR-TASS in English 1932 GMT 15 Sep 93

[Text] London September 15 TASS—A Russian plane hijacked by Islamic terrorists landed near Oslo late on Wednesday [15 September].

The Tu-134 airliner with 44 passengers on board, one of them a child, was hijacked today en route from the Azeri capital of Baku to the city of Perm in Russia, the Interior Ministry press service told ITAR-TASS.

At 13.37 (Moscow time), the crew commander Mikhail Osabin sent out a radio message saying that three terrorists, who are believed to belong to the Hezbollah Islamic organisation, armed with hand grenades and a mine forced him to change the course and land in Kiev, capital of Ukraine. It was not clear whether Kiev was meant as destination.

At 16.04, the plane landed in Borispol, just outside Kiev. After refueling the plane left for Scandinavia with a new navigator. Aleksey Zakharov, spokesman for the Interior Ministry of Russia, said the Scandinavian countries have been notified to get prepared for the flight's arrival.

No information about the hijackers' identity was immediately available.

The place of the plane's landing in the Norwegian airport has been sealed off by police. Russian-speaking negotiators and Russian Embassy officials in Oslo have been called to the airport for help.

Hijackers Arrested

LD1609132193 Moscow Mayak Radio Network in Russian 1200 GMT 16 Sep 93

[Text] Now about the aircraft that was hijacked and landed in Oslo:

The Aeroflot TU-134 aircraft that was hijacked by terrorists yesterday and landed in Oslo will be returned to Russia this evening. An ITAR-TASS correspondent was told this by telephone by a spokesman of the Russian Embassy in Norway.

The hijackers who surrendered to the Norwegian authorities last night have been arrested and are being held by the police. None of the passengers or crew was injured. The Russian diplomat said that the identity of the three terrorists is being established. Judging by everything they are Iranian citizens, he added in response to the possible nationality of the air pirates. Their political stance and the motives for the hijack remain unclear.

The embassy spokesman refuted reports that have appeared in the past few hours, that Russia had demanded that the hijackers be handed over.

Perm Suspends Flights to Baku

LD1609103593 Moscow ITAR-TASS in English 0948 GMT 16 Sep 93

[By ITAR-TASS correspondent Aleksandr Kulichkin]

[Text] Perm September 16 TASS—The airlines of the Russian city of Perm decided to suspend flights to Baku after its plane was hijacked to Norway from there on Wednesday [15 September].

According to Boris Shreyder, head of the Perm Aircraft Pool, the flights to Baku will be cancelled until strict order and control are restored in the "Narimanovo" airport of the Azeri capital.

The recent hijack showed that security control and luggage checks are very poor in the Baku airport.

"I have no right to risk the lives of passengers and crew", Shreyder said.

Planes used to fly from Perm to Baku and back twice a week. Passengers were already informed that the next flight on September 19 had been cancelled.

Yeltsin, Armenian President Discuss Karabakh Situation

LD1509215893 Moscow ITAR-TASS in English 1704 GMT 15 Sep 93

[By ITAR-TASS]

[Text] Moscow September 15 TASS—The press service of the Russian president has circulated an official report about the working visit to Moscow by the Armenian President Levon Ter-Petrosyan which took place on September 15.

The reports says that the Armenian president met with Russian President Boris Yeltsin. During the meeting there was a frank exchange of opinions on a wide range of problems pertaining to Russo-Armenian relations, the situation in the CIS and in the Caucasian region. The Karabakh problem was in the focus of the talks.

The Russian side expressed serious concern about the escalation of military operations on the territory of Azerbaijan. It was pointed out that military operations entailed hard consequences for the peaceful population on the south-west of Azerbaijan and that thousands of women, children, elderly people fled their homes and became refugees.

Yeltsin pointed out that the Karabakh conflict cannot be resolved by military means. Russia is interested in the soonest and reliable settlement of the conflict and is making intensive mediatory efforts to this end. The Russian president came out in favour of Armenia's active and constructive participation in the process of settlement and corresponding talks. Levon Ter-Petrosyan declared that Armenia would seek to reach the settlement in this spirit.

Constructive results of the meeting between Azeri and Nagorno-Karabakh leaders with Russia's mediation were noted as positive factors. The Russian and Armenian presidents confirmed their desire to restore peace in the region and take an active part in political settlement in accordance with Resolutions 822 and 853 of the U.N. Security Council. They declared that it is necessary to concentrate efforts to achieve a complete ceasefire and put an end to bloodshed, withdraw troops from seized territories, restore communications and work out reliable guarantees, ruling out a possibility of resuming military operations, which will create conditions for the return of refugees to areas they had deserted.

The sides confirmed their mutual interest in the constructive development of Russo-Armenian relations in different fields.

Armenian President Comments on Talks

LD1509145493 Moscow ITAR-TASS World Service in Russian 1317 GMT 15 Sep 93

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Excerpt] Moscow, 15 Sep—[passage omitted] Justifying his stance, the president of Armenia recalled how conflicts between Georgia and Abkhazia, and also between Israel and the PLO were resolved.

Levon Ter-Petrosyan confirmed he was ready to meet the current acting President of Azerbaijan Geydar Aliyev, and noted that in the course of two years when the latter was Nakhichevan Supreme Soviet chairman they had had contacts, while the Armenian-Nakhichevan sector of the border had been calmer than other sectors of Armenia's border with Azerbaijan. "However, where the settlement of the Karabakh problem is concerned, a Baku-Stepanakert dialogue is essential," he added.

Speaking of other issues examined during his meeting with Boris Yeltsin, the Armenian president singled out the ruble zone. Armenia has already made a final decision on this score and joined the accords which Russia and other CIS members have reached, he said.

When asked to comment on Azerbaijan's request to join the CIS, Levon Ter-Petrosyan said that this issue had been mentioned in the course of the conversation. "Russia and Armenia will only welcome this desire on the part of Azerbaijan," he said.

The third issue debated during the meeting was the upcoming winter. "We already expect this winter to be easier than the last one," he said. "However, the situation has become more complicated in connection with the worsening of the situation in Georgia. The railway that is the only route linking Armenia with the outside world passes through Georgia."

At the same time, and judging by what Levon Ter-Petrosyan said, he has become more hopeful that difficulties will be surmounted, following his conversation with the president of Russia.

Shokhin Signs Monetary Agreement With Armenia

LD1509160893 Moscow ITAR-TASS in English 1527 GMT 15 Sep 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow September 15 TASS—Russian Vice-Prime Minister Aleksandr Shokhin and his Armenian counterpart Vigen Chitichan signed an agreement in Moscow on Wednesday [15 September] to form a common monetary system.

The document outlines a concrete mechanism for carrying out the framework agreement to establish a rouble zone of a new type by Russia, Armenia, Belarus, Kazakhstan, Tajikistan and Uzbekistan.

Armenia's integration into the rouble zone "means the preservation of the market and continuation of good traditions in economic cooperation with the reliable partner, Russia," Chitichan said.

He also said that at the upcoming CIS summit meeting scheduled for September 24, Armenia intends to sign an agreement on the establishment of an economic union with other CIS states.

Yeltsin, Shevardnadze Discuss Abkhaz Situation

LD1609082193 Moscow ITAR-TASS in English 0743 GMT 16 Sep 93

[By ITAR-TASS correspondent]

[Text] Moscow, September 16 (TASS)—Russian President Boris Yeltsin and Georgian leader Eduard Shevardnadze discussed the settlement in Abkhazia during a telephone conversation on Thursday [16 September], the presidential press service said.

The two leaders "discussed the situation in the zone of the Georgian-Abkhazian conflict and spoke in favour of continued efforts to ensure a durable peace in the region", the press service said.

It gave no further details.

Chernomyrdin, Georgian Premier Sign Economic Accords

LD1509150993 Moscow ITAR-TASS World Service in Russian 1419 GMT 15 Sep 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 15 Sep—Viktor Chernomyrdin, chairman of the Russian Federation Council of Ministers, and Otar Patsatsia, prime minister of the Republic of Georgia, signed intergovernmental agreements today on rescheduling the terms of technical credits, turning them into a state credit for which the Georgian Government is responsible, on the granting of credit to Georgia by Russia in 1993, and also a protocol on trade and economic cooperation in 1993.

Evaluating the accords reached during the two days of Russian-Georgian talks and the package of documents concluded, Viktor Chernomyrdin stated that "they are favorable for both Russia and Georgia which are going through difficult times today." These documents, he continued, although also aimed primarily at normalizing bilateral economic relations, are of a political nature as well.

The head of the Russian cabinet also stressed that "Russia wishes for a normalization of the situation in Georgia and for the cessation of the Azerbaijan [as received]-Georgian conflict.

Grachev, Georgia's Karkarashvili Discuss Cooperation

LD1509171893 Moscow ITAR-TASS in English 1647 GMT 15 Sep 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow September 15 TASS—Russian Defence Minister Pavel Grachev received his Georgian counterpart Georgiy Karkarashvili in Moscow on Wednesday [15 September] to discuss military cooperation between two republics.

The sides also discussed the legal status of Russian troops stationed in Georgia.

Grachev linked the success in solving these issues to the signing of a treaty of friendship and cooperation between Russia and Georgia and restoration of lasting peace in Abkhazia.

The situation in Georgia and relations between the defence ministries of the two countries are such that "I found it possible to recommend the president (Boris Yeltsin) and the prime minister (Viktor Chernomyrdin) to speed up work on the treaty," Grachev said.

He reiterated the Defence Ministry's determination to relocate Russian troops in Georgia in three garrisons—Tbilisi, Batumi and Akhalkalak.

Comment on Abkhazia

LD1509202693 Moscow Russian Television Network in Russian 1850 GMT 15 Sep 93

[From the "Vesti" newscast]

[Text] [Correspondent I. Krondo] A meeting has been held in the Russian Federation Defense Ministry between Russian Defense Minister General Pavel Grachev and Georgian Defense Minister General Georgi Karakashvili. The main purpose of the meeting was to discuss the prospects for cooperation between the two states in the military field.

For his part, Grachev stressed that military cooperation was possible only after the signing of a basic agreement between the two countries. Among the reasons deterring Russia from signing that document, Grachev highlighted three main factors: the settlement of the situation in Abkhazia, defining the political status of the refugees and their return to South Ossetia, and also solving the issues connected with the presence of Russian troops in Georgia.

For his part, Karakashvili declared that, before the end of the present month, all points of the agreement on settling the situation in Abkhazia would be fully met by the Georgian side. He also requested Pavel Grachev to step up the activities of the Russian peacekeeping forces in Abkhazia so that the compliance with the terms of the agreement by the Abkhaz side could be more fully monitored.

Grachev Supports Shevardnadze

LD1509143493 Moscow ITAR-TASS World Service in Russian 1310 GMT 15 Sep 93

[By ITAR-TASS columnist Andrey Naryshkin]

[Text] Moscow, 15 Sep—"We are very glad that a sound view of Eduard Shevardnadze's actions has prevailed in the Georgian Supreme Council, and that the people of the republic have backed their leader." This was said today by Russian Federation Defense Minister Pavel Grachev at his meeting with his Georgian counterpart, Georgiy Karkarashvili, who is paying a working visit to Moscow. Pavel Grachev expressed hope that the Georgian Defense Ministry will continue to support the state's lawfully elected leadership.

During their meeting, the two sides discussed the issues connected with the preparation of a treaty on the legal status of Russian troops on Georgian territory, and also ways to attain peaceful settlement in Abkhazia and South Ossetia.

Control of Nuclear Weapons in Ukraine Uncertain

LD1509180293 Moscow Russian Television Network in Russian 1445 GMT 15 Sep 93

[From the "Parliamentary Hour" program]

[Text] Colonel General Yevgeniy Maslin, head of the Russian Defense Ministry's Chief Directorate for Nuclear Munitions, said that Russia has de facto lost control over the use of nuclear weapons deployed on the territory of Ukraine.

Thus, for instance, the crews flying the strategic nuclear bombers and subunits serving the nuclear munitions have been incorporated within the Ukrainian Armed Forces for the past 18 months. At the same time, Moscow still retains, for the time being, the potential of operational control of the strategic missile troops.

In the meantime, the temperature suddenly went up in a nuclear munitions storage facility in Nikolayev Oblast, Ukraine Prime Minister Leonid Kuchma told the Russian leadership. A group of specialists from Russia urgently departed by air to check out what had taken place.

Ukrainian Embassy Denies End of Fleet Funding

LD1509153493 Moscow ITAR-TASS World Service in Russian 1557 GMT 15 Sep 93

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow, 15 Sep—The press service of the Ukrainian Embassy in Moscow has denied reports that Ukraine has completely ceased financing the Black Sea Fleet. An embassy statement sent to ITAR-TASS today says that "it was only on 2 September 1993 that the whole amount due for financing the fleet was transferred from the Ukrainian state budget and payments from our state are being sent on time and to the full amount."

Talks With Estonia Falter Over Withdrawal, Compensation

LD1509205293 Moscow Russian Television Network in Russian 1850 GMT 15 Sep 93

[From the "Vesti" newscast]

[Text] The 14th round of talks between Russia and Estonia has not brought any results. The main problem hindering the whole course of the talks is the sides' inability to agree on the final dates and terms for the withdrawal of Russian troops from Estonia. There are about 5,000 Russian servicemen in Estonia, according to Russian estimates. Much of the disagreement during the talks was over the issue of the compensation to be paid to Estonia for the ecological damage caused by Russian troops.

The Estonian side is insisting that Russia pay compensation for the period since 1940. But Russia is only prepared to compensate those losses by the Estonian side that were incurred by Russian troops, that is, from 1992. Nor was agreement reached on the issue of the property belonging to the Russian Armed Forces. The Estonians are still claiming that all property on their territory will automatically become state property after the withdrawal of Russian troops.

Delegation Head Dissatisfied With Talks

LD1509193393 Moscow ITAR-TASS World Service in Russian 1625 GMT 15 Sep 93

[By ITAR-TASS correspondent Sergey Ryabikin]

[Text] Moscow, 15 Sep—Vasiliy Svirin, leader of the Russian state delegation at talks with Estonia, and Estonian Defense Minister Juri Luik, head of Estonia's delegation, assessed differently the results of the routine round of Russian-Estonian talks, which ended today. At

a news conference held after the talks, Vasiliy Svirin said he could not call the round a success. He explained his dissatisfaction by the talks' poor results. Not a single agreement was initialled following the current round.

Juri Luik, however, assessed the round positively. It is an important fact, he believes, that talks are under way and that the sides can discuss problems.

Chernomyrdin-Tereshchenko Talks, Agreements Detailed

PM1509161793 Moscow ROSSIYSKIYE VESTI in Russian 14 Sep 93 p 1

[Pavel Shinkarenko report: "Test Bed for Integration in the CIS. That Is How Viktor Chernomyrdin Defined Role of Russo-Kazakhstani Relations"]

[Text] As of 20 September, customs duties and taxes will not be levied on reciprocal deliveries of goods from border oblasts of Russia and Kazakhstan. This is one of the points of the protocol adopted on the results of talks between the two countries' government delegations headed by Prime Ministers Viktor Chernomyrdin and Sergey Tereshchenko with the participation of heads of administrations of contiguous oblasts. The talks were held in the Kazakhstani city of Kokchetav and were not the first meeting of this kind.

In Kokchetav, just as previously in Omsk and Kustanay, the participants in the debate together decided how to overcome the biggest barriers to commodity counterflows in the border region. The economy of the Volga region, the South Urals, West Siberia, and North Kazakhstan evolved over the decades as an integrated economic complex. Therefore the slightest hiccup on one side of the border or the other at once affected the neighbors' affairs. It was no coincidence that both the local administration heads and enterprise directors declared at the very first meeting in Kustanay: We also favor sovereignty, but direct production ties must be preserved. This same idea has also been expressed at their sectoral conferences by industrialists, transport workers, working people in the oil and gas industries, and landowners.

The topic of these talks between Viktor Chernomyrdin and Sergey Tereshchenko was the existing restrictions in border trade and in payments for reciprocally delivered output. The premiers agreed to entrust the corresponding Kazakhstani and Russian ministries and departments with jointly studying the possibility of mutually offsetting the debts of state enterprises. A draft of such a decision is to be submitted to the governments within two weeks. In addition, customs duties and taxes are being abolished next Monday. The customs services must see to this.

The portfolio of the premiers' accords was supplemented by one more agreement. Russia pledged to deliver gasoline, diesel fuel, diesel oils, and liquid gas, which are needed to complete the gathering of the harvest in Kazakhstan, in September and October, and in return it will receive 2.7 million tonnes of grain for the "Roskhleboprodukt" concern. Deliveries will be made on clearing transaction terms, with due regard for the repayment of Kazakhstan's existing debt of $160 million.

The decisions adopted in Kokchetav have actually confirmed the two countries' desire for a close business partnership, as Viktor Chernomyrdin and Nursultan Nazarbayev declared Friday after talks in Almaty. "Russian-Kazakhstani relations are now a kind of test bed for developing deep integration within the CIS framework," the head of the Russian Government said after that meeting. The president of Kazakhstan pointed out at the briefing that relations between the two republics "are, as it were, attracting all the rest" to strengthen the economic union of the former Soviet republics.

Future Use of Baykonur Space Complex Discussed

PM1609080193 Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 93 First Edition p 4

[Report "based on POSTFACTUM material" under "Yesterday, Today, Tomorrow" rubric and general heading "Space": "Grounded by Debts"]

[Text] It has been learned that the Russian leadership has decided to sever all ties with the space complex at Baykonur and to stop using it.

Commenting on this report, Glavkosmos [Main Administration for the Development and Use of Space Technology for the National Economy and Scientific Research] representative Andrey Sergeyuk stated that he knew nothing about this decision and that the fact that Kazakhstan is not contributing its share toward the cosmodrome's budget should not form the basis for such a decision—Russia's has too great an interest in the cosmodrome. A representative of the "Transmash" design bureau who did not give his name stated that the Kazakhstan side is very interested in earning profits from Baykonur's utilization, in particular from the launch, scheduled for 1996, of the "Almaz 1C" space vehicle, which is being developed at the design bureau.

Commentary Views Talbott Visit to CIS

LD1509183593 Moscow Radio Moscow World Service in English 1810 GMT 15 Sep 93

[Commentary by Vladislav Kozyakov; read by announcer]

[Excerpts] The special adviser of the U.S. secretary of state on the new independent nations, Strobe Talbott, is now touring former Soviet republics. He is going to visit almost all CIS countries. Vladislav Kozyakov makes these comments:

As was expected during his tour, Strobe Talbott pays attention mainly to new forms of aid to the new independent states, primarily assistance in market reforms and (?several) regional problems. Here one can speak of the understanding by the Americans of several burning issues CIS countries now face. [passage omitted]

However, life doesn't stand still. New processes have been coming to the fore in the Commonwealth countries recently. They are related to the growing determination of the independent countries to pool efforts to increase their security, protect borders and overcome economic difficulties. Will the U.S. side demonstrate understanding here?

Some reports from the United States give reason for such a question. For instance, last month THE WASHINGTON POST said that, according to a new directive, the United States will speak against the participation of the Commonwealth in peacemaking operations in the different regions, even though several CIS countries have signed a collective security agreement. Russia is (?a side) to the agreement.

Washington is also trying to play on the differences between Russia and other former Soviet republics. As an example, we could name the reluctance of the United States to sign a contract on the sales of Russian uranium on the world market without a preliminary agreement with the other republics. This gave reason to the Russian negotiator in Washington to declare that the U.S. side is playing a political card.

The United States has actively promoted relations with the new sovereign states. Now some of these countries are willing to integrate in various spheres. They are working on agreements on an economic union, a new ruble zone and so on. This is done to resolve economic problems and improve well-being.

Will these efforts find due understanding in the United States? The current tendency of restoring close relations with Russia has deep roots, sometimes centuries old.

By the way, Strobe Talbott, now touring former Soviet republics, can see this for himself.

Chernomyrdin, U.S. Treasury Official Discuss Cooperation

LD1509145993 Moscow ITAR-TASS World Service in Russian 1404 GMT 15 Sep 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 15 Sep—Viktor Chernomyrdin, chairman of the Russian Federation Council of Ministers, had a meeting with Lawrence Summers, U.S. under secretary for international affairs at the Treasury Department, at Staraya Ploshchad [the seat of the Council of Ministers] this afternoon.

Answering a question from an ITAR-TASS correspondent after the meeting, Viktor Chernomyrdin revealed that they had discussed issues of economic cooperation between Russia and the United States, and the implementation of agreements with the U.S. leadership reached in the course of the Russian prime minister's visit to the United Stats in August. Noting that he was satisfied with the results of today's meeting, Viktor Chernomyrdin expressed hope that "in this difficult period for Russia, it will receive support from the United States and from the world's financial organizations."

For his part, Lawrence Summers said that in the next week or two the U.S. Congress is quite likely to approve the program of support for Russia drawn up by the two countries' presidents in Vancouver. Under the program, 2.5 billion dollars are to be allocated to Russia. "President Bill Clinton intends to turn from words about supporting Russia to concrete actions," he stressed.

Space Partnership Agreement With U.S. Assailed

PM1609081393 Moscow ROSSIYSKAYA GAZETA in Russian 11 Sep 93 First Edition p 2

[Yuriy Konorov "Commentary": "Paper Promises"]

[Text] Everything has changed in the Russian home. Anyone can do any job he likes, however he likes. Even international treaties are being prepared not by professionals but by amateurs. Take, for example, the agreement on Russian-U.S. partnership in the exploration of space, reached in Washington recently. It transpires that representatives of the Ministry of Foreign Economic Relations, the Foreign Ministry, and the Russian Federation Committee for the Defense Sectors of Industry did not actually take part in the final stage of the talks...

I am leafing through the pages of the agreement signed by Russian Premier Viktor Chernomyrdin, and it makes me want to weep. And with good reason. Under pressure from Washington, Moscow has sacrificed the deal with Delhi for the supply of cryogenic engines. The farfetched pretext of the violation of the international Missile Technology Control Regime [MTCR] makes you blush and want to apologize to the Indians when you meet with them.

Russia is not only losing a multimillion-dollar order for rocket engines, which only the "professional engineer" Yuriy Koptev, director of the Russian Space Agency, thinks can be used for military purposes. The 100,000-strong work force of top-class specialists in the space sector will be left without work. But that is just the "first shock wave" effect. There is another behind it. India now has the right to express a vote of no-confidence in Russia and may review a number of previously signed agreements. For example, on the payment of its debt for state credits to the former USSR. As a result Moscow might not receive around $15 billion from Delhi. Adverse consequences should be expected in other areas of cooperation too: the power industry, metallurgy, and so forth. India, which enjoys considerable influence in countries of the Pacific region, could make its neighbors consider the prospects of business ties with Russia.

Why are we prepared to pay such a high price? For U.S. promises to open the door for Russia to enter the international high technology market in space exploration. Unfortunately, the gap that they are offering us is narrower than the Biblical eye of the needle. Under this agreement Russia does not have the right to carry out launches at more than 7.5 percent below the world price. However, Russia today does not have the ability to offer the whole range of services at a standard commensurate with world prices: transport, hotels, ground observation throughout the flight, as well as Western levels of insurance to cover failed launches. Naturally we will lose out in competitions because we can win only if we play in our own "league." For us that "league" today means third world countries, which can afford our prices and find our conditions acceptable. But if under this agreement Russia tests its strength in the "big league," it will wind up out of its depth.

That is the precise aim of the terms of this cunning treaty. It has been drafted so skillfully by the U.S. side and examined so negligently by ours that a situation could emerge in which Russia is obliged to seek America's go-ahead not just to launch satellites produced by the United States (or with its help) but even those manufactured by Russia itself. The United States has also given us a "paper promise" to use Russian research in creating the Freedom orbital station. However, it should be remembered that neither the U.S. Congress nor Washington's Western partners have yet given the go-ahead to Russia's participation in the project, in other words, this is this strangest agreement that the world has seen for a long time.

The last hope now is the Russian Supreme Soviet, which made a decision in July to review the law on Russian affiliation to the MTCR. Since three documents on Russian-U.S. partnership in space were signed during the same visit to Washington it would be logical for deputies to have an opportunity to make the appropriate amendments to those agreements.

Dossier on U.S. MIA's in Vietnam Called 'Provocation'

PM1509142593 Moscow PRAVDA in Russian 15 Sep 93 p 7

[Viktor Pritula report: "Who Is the Author of the 'Second Russian Dossier'?"]

[Excerpts] Hanoi, 14 Sep—All this would resemble a tawdry anecdote if it did not concern such important matters as the restoration of state relations between two countries. In the run-up to the U.S. Administration's decision on lifting or, alternatively, extending the trade and economic embargo against Vietnam, a certain "second Russian dossier" has been brought to light, which cannot be described as anything other than gross provocation. This is precisely how Hanoi viewed the emergence of new Russian documents that allegedly shed light on the fate of U.S. servicemen in Vietnam. [passage omitted]

Local radio journalists I am acquainted with have given their assessment of this situation without any diplomatic hedging. It is disturbing, they say, that "Russian dossier" No. 2 has appeared at literally the same moment as the Russian defense minister is traveling to the United States. Irina Zisman is collecting money in California for the purposes of resuming radio broadcasts from Moscow calling for a struggle against the current system in Vietnam. A certain MOSKOVSKIYE NOVOSTI hack is intending, if he has not already done so, to assemble another anti-Vietnamese rabble. We sometimes get the feeling that Moscow is becoming the center for a struggle against socialist Vietnam. Your democrats, wallowing up to their ears in corruption and lies, want to implant the same sort of democracy in Vietnam as well. Why is it necessary to fabricate all these falsehoods? Even if America retains the embargo in the face of common sense, Vietnam will continue its reform course, primarily in the economic sphere. We have a sufficiently wide circle of friends and partners to ensure successful economic development. And we are ashamed for Russia. The help we received from the Soviet people was invaluable, and we are profoundly grateful for it.

I did not object to my friends' remarks, and unfortunately the bitterness that showed through is sometimes completely justified. Russian-Vietnamese relations are not going through a particularly good patch at the moment. And now somebody else has decided to engage in mudslinging with the help of a "Russian dossier...." How low can Russia's political lackeys sink!

Future of Ambassadors in U.S., UK in Question

PM1509174593 Moscow IZVESTIYA in Russian 16 Sep 93 First Edition p 1

[Report by Aleksandr Shalnev: "Significant Cadre Changes in the Pipeline at Major Russian Embassies"]

[Text] Russian President Boris Yeltsin has proposed that Boris Pankin be recalled from the post of Russian ambassador to Britain. Perhaps Vladimir Lukin will be appointed in his place.

According to data from informed sources, the president had some very strong things to say about the ambassador in London at a Presidential Council session on Tuesday.

The subject of the London ambassador's future was broached when a Presidential Council member raised the question of another Russian ambassador—Vladimir Lukin, who works in Washington. The president stressed that "there is no need to discuss Lukin." Having said that Pankin must be removed, Boris Yeltsin added: London is the closest in importance to Washington, so it is logical to offer Lukin a move to Britain.

According to sources, the offer has already been made to Lukin, or is about to be made by Foreign Minister Kozyrev.

At the Council session the president noted in particular that the move, if it occurs, will only take place with Lukin's consent.

According to my information, Lukin will be coming to Moscow on leave in late September-early October, as soon as Kozyrev's planned trip to the United Nations and the United States is over. During his leave the question of a replacement will be decided.

Sources made it clear that the initiative regarding Lukin's possible move is not directly related to Pankin's suggested departure and that the initiative came direct from minister Kozyrev, who has a very difficult relationship with the ambassador in Washington, to put it diplomatically. One reason is that Lukin is rather independent and wants not just to carry out someone else's policy but to make it himself. The ambassador is often in direct contact with the Russian president, bypassing the Foreign Ministry leadership. The fact that Lukin—at least in the early days of his ambassadorial activities—certainly did not regard the Washington post as the summit and was thinking in terms of promotion, to minister, also evidently had a part to play. Although Lukin publicly denied suggestions to that effect.

There are other difficultiues as well: Some months ago several U.S. publications simultaneously printed items of almost identical substance. They put forward the idea that key U.S. foreign policy departments, including the State Department and the White House National Security Council, are somewhat suspicious of Lukin, seeing him as representing if not a conservative, hard line in diplomacy, then at any rate not the line that might be acceptable to Washington.

It is certainly true that Lukin has his own views regarding particular aspects of Russian foreign policy. For example, on several occasions he has come out against being overly orientated toward the United States.

If Lukin leaves his post to go to London—that is, a demotion—he is likely to be replaced by the very experienced Yuliy Vorontsov, Russia's permanent representative at the United Nations. In that event, Andrey Kolosovskiy, currently minister-counselor in Washington, would very probably be appointed to the United Nations as ambassador extraordinary and plenipotentiary.

Speeches at PLO-Israel Signing Ceremony Assessed

PM1509133793 Moscow IZVESTIYA in Russian 15 Sep 93 First Edition pp 1,3

[Vladimir Nadein report: "Age-Long Enemies Reconciled on White House Lawn"]

[Excerpts] Washington—Three U.S. Presidents did not simply attend the signing ceremony for the peace agreement between Israel and the PLO—they were more or less the main players in it.

For this reason not a single speech was made that did not express a debt of gratitude to President Jimmy Carter who had given his blessing on this very spot to the peace between the Arabs and Jews 15 years ago which was the first since the formation of the State of Israel.

Likewise, there was not a single person listening who was not conscious that the present enormous breakthrough for peace in the Near East would not have been possible at all without the contacts in Madrid between the Israelis and the Palestinians two years ago, which the secretary of state at the time, J. Baker, organized and President G. Bush actively supported.

But these statesmen, as has often been the case in history, left their successors to reap the benefits. President Clinton, who is faced by difficult challenges in domestic politics, attempted to live up to the occasion, when yesterday's "terrorist," who was long ago declared "persona non grata" in the United States, not only shook leading politicians', generals', and diplomats' hands, but also pronounced enthusiastically: "President Clinton, thank you, thank you, once more thank you very much." [passage omitted]

Summing up all the speeches which were made at the ceremony, their ideas boiled down to the following points:

The agreement that is being signed presents a great opportunity, but for the moment it is no more than an opportunity.

The international community's contribution has been great, and the United States received most thanks, followed by Russia, and Norway. Other states were not mentioned.

The calls to cease hostilities "without preconditions" met with no objections.

The region's economic development is considered to be the key to the peace's success. You will not get peace if there is poverty.

However, the differences between the sides, which were so enormous at the time of signing, also came out in speeches made by both sides' main figures--first and foremost in those of Rabin and 'Arafat. 'Arafat spoke about how the right of nations to self-determination does not threaten other peoples' welfare. Understanding how unpredictable a vote of the Muslim majority in the disputed city of Jerusalem would be, Rabin emphasized that this city is the Jewish state's eternal capital.

The U.S. President, who is justly considered an excellent speaker, only found a worthy opponent in the person of Yitzhaq Rabin. The Israeli premier's speech sparkled with its polished style, colorful pronouncements, and

precise dramatic effect. However, this should not cast any doubt on sincerity of Rabin, a former general who devoted his entire youth to the struggle against those people, with whom, in the twilight of his life, it has become more or less his main aim to conclude peace.

Turning to the Palestinians, Rabin brought to mind his relatives and friends who were "killed before our very eyes," and emphasized that by having created Israel in this specific place, the Jews themselves chose the Arabs as their neighbors and that it is with them, and them alone, that a path to peace should be sought.

Yasir 'Arafat's rally style brought him the fame of a man who is able to make people rise up in struggle, however his main theme on the White House lawn was the necessity to resolve peacefully the extremely complex problems concerning the exiles, violence, injustice, and confiscated property. It was obvious how difficult 'Arafat is finding it to forget about his people's half-century of troubles.

Prime Minister Rabin also expressed in much harsher terms his views on the chances for peace at a press conference than on the lawn. Rabin reminded us that only this year his government appropriated $160 million for the mostly Arab population of the Gaza Strip, but devoted even more time to cursing the Palestinian terrorists who killed four Jews the day before. On the same day three Palestinians were also killed in skirmishes.

It was not for nothing that President Clinton said that every peace has many enemies, which is especially true of this one. The generation that has seen its friends and relatives perish before its very eyes, is not inclined to make friends quickly. Here the hopes of both nations are linked more with their children who find it easier to become used to the improbable than prime ministers.

Kozyrev Departs Zagreb for Sarajevo

LD1509144993 Moscow ITAR-TASS in English 1429 GMT 15 Sep 93

[By ITAR-TASS correspondent Aleksandr Kondrashov]

[Text] Belgrade September 15 TASS—Russian Foreign Minister Andrey Kozyrev has left Zagreb for Sarajevo on Wednesday [15 September]. He is continuing his peacekeeping mission for the settlement of the conflict in republics of former Yugoslavia.

In Sarajevo, Kozyrev will meet with chairman of the Presidium of Bosnia-Herzegovina, Alija Izetbegovic, to discuss ways of reaching a compromise agreement for the settlement of the Bosnian conflict.

The TANJUG news agency reported with reference to Croatian sources that on Tuesday night, Kozyrev met with Croatian President Franjo Tudjman in Zagreb. During the meeting the sides discussed ways of settlement of the conflict between Croatia and Krajina and other problems related to the situation in Bosnia.

Dispatch of More Troops to Balkans Advocated

MK1609092593 Moscow NEZAVISIMAYA GAZETA in Russian 16 Sep 93 p 3

[Article by Sergey Gryzunov, Andrey Baturin, RIAN correspondents in Belgrade, special to NEZAVISIMAYA GAZETA, under "Diplomacy" rubric: "The Fate of the Russian 'Blue Helmets.' The Interdepartmental Tug of War Continues"]

[Text] Whereas Soviet soldiers, in carrying out the decisions of their political leadership, intruded into the territories of independent states without thinking and without invitation, Russian fighters are incapable of responding to an appeal for help from abroad.

Conflicting statements about the new contingent of Russian servicemen in the former Yugoslavia have been made in Moscow by Russian Federation Foreign Minister Andrey Kozyrev, his deputy, and Vitaliy Churkin, the Russian president's special representative at the talks within the framework of the conference on the former Yugoslavia, on the one hand, and Russian Federation Defense Minister Pavel Grachev and Chief of the General Staff Mikhail Kolesnikov, on the other.

While the Russian diplomatic leadership is advocating an increase in the number of Russians serving as part of peacekeeping units under a UN flag, the main military leaders are definitely against this.

A situation is emerging characteristic of the present style of Russian leadership in which the right hand does not know that the left one is doing. At the same time, the mutually irreconcilable statements by key ministers are only damaging the country's prestige and the Russian president's authority. After all, Boris Yeltsin, as it became known six months ago, issued clear-cut instructions to make all the requisite preparations for increasing the number of Russian blue helmets in Yugoslavia. Yet no progress has been made. The interdepartmental tug of war continues.

Each side has its own case to argue. Meanwhile, the actual situation is as follows. First of all, officers and enlisted men from Ryazan and Pskov are successfully carrying out the task set for them by their new commanders and the UN. In the "East" sector where they are located in the region of Slavonia, Barania, and Western Srem, on the border of Croatia and Yugoslavia—in the disputed zone—a relative lull has held for a long time now. Both the Serbs and the Croats, divided by the war and the interests of their leaders, can sow and harvest grain as long as they are protected by Russian guys.

Second, Russians in UN units have already acquired a unique experience serving in conflict areas and interacting with subdivisions from NATO countries. Our servicemen who have gone through this sort of experience can now more successfully than anyone else carry out peacekeeping missions in the hot spots on the territory of the former Soviet Union.

Moreover, the conditions of service and life in UN units are incomparable to those in any of the Russian garrisons in terms of salary, diet, and housing. All of our boys are volunteers and they are consciously risking their lives, after carefully weighing all the "pros" and "cons," including the salary level.

It needs to be said that financial matters are eventually also decided in favor of Russians. The considerable contribution that Russia is paying to the UN treasury is partially returning to our country in the form of salaries for commissioned officers and enlisted men and other allowances.

In Bosnia, where a new Russian battalion and medical unit were to be sent, the conditions are harder. This is evident from, among other things, the number of those killed among UN servicemen, including Ukrainians stationed in the very heart of Sarajevo.

If we do not go there, however, others will fill the vacuum. The same refers to the absence of Russian battleships as part of NATO aircraft carriers and destroyers patrolling the Adriatic. The St. Andrew's ensign would be received in these latitudes with great understanding on the part of the local population. And the Black Sea Fleet would perhaps be well advised, apart from the re-division, to engage in combat missions, peacekeeping ones in this case.

In other words, if Russia really wants to preserve its position in this region of the Balkans, differing favorably from the former imperial one, it should not confine itself to the current lone battalion—especially since the country has a sufficient number of highly qualified military men who have been left without a job and decent housing. Some of them end up on Yugoslav fronts anyway but as part of local gangs that have nothing to do with achieving the final goal—the cessation of the bloodshed.

The scandalous situation where Russian military pilots at the last moment, owing to bureaucratic delays, failed to take part in an operation to deliver humanitarian aid to Bosnia must not be repeated.

Negatives of NATO Expansion Outlined

MK1509090193 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 38, 19 Sep 93 (Signed to Press 14 Sep) p A7

[Article by Sergey Karaganov, deputy director of the Russian Academy of Sciences Institute of Europe, under the "In the World" rubric: "Expansion of NATO Leads to Russia's Isolation"]

[Text] I am not inclined to appraise the situation that has developed following Russia's recent consent stated in Warsaw for the entry by Poland and, therefore other countries of Central and Eastern Europe, to NATO as tragically irreparable or, moreover, to join my voice to the increasing chorus of accusations of high treason. However, I also consider it impermissible to underestimate the potential dangers involved in the expansion of NATO.

The inclusion of Poland, the Czech Republic, and Hungary into NATO's orbit will not result in increased military threats to Russia. Yet the political and psychological implications of this move may turn out to be rather unpleasant. It will inevitably lead to a negative reaction from a considerable part of the Russian military elite whose influence in society is appreciably growing, as well as rejection in political circles, and not only in the camp of the irreconcilable opposition. The people who see danger here could well be accused of traditionalism or conservatism. This conservatism, however, has roots not only in the "cold" war, but also in the entire history of European policy. One of its axioms says: The more countries that are affiliated with a neighboring coalition, the fewer political possibilities your country has.

The examples of "new thinking" can be demonstrated again and again. But is it worthwhile for its sake, in a complicated political situation and, moreover, in the runup to elections, to alienate the people who adhere to the traditional point of view? Especially given that they constitute an overwhelming majority—incidentally, not only here in this country but also in the West. And they may be right.

The expansion of NATO will further reduce the need for the West to take our interests into account on a very broad range of problems, primarily economic ones. The already fairly perceptible trend toward Russia's isolation will deepen. On the surface it is manifesting itself in attempts on the part of the EC to prevent Russia's membership in GATT, in the refusal to admit it to the Council of Europe (while Estonia is admitted there), in the tightening of policy on the export of a number of Russian goods, primarily aluminum, and to an even greater extent, in the inactivity or low activity on the part of Western countries in assisting the Russian reforms. In Western Europe they are again beginning to talk to the effect that Europe ends on the border of Poland and Belarus.

In NATO headquarters, where the East Europeans will come with their scores to settle with the old Russian imperial policy and the USSR, anti-Russian sentiments may intensify. The approximation of the bloc's border to Russia will inevitably increase the misgivings connected with that. A quick reorientation of the three countries will occur toward the NATO arms market. For our part, we shall lose this market.

Earlier, we were told openly or indirectly: The extension of NATO to Poland, the Czech Republic, and Hungary will take place if Russia breaks up or begins revenge by force. Now they are sometimes even talking about the expansion of NATO in the Balkans. In the event of a failure in Russia's democratic development, even if

temporary, this expansion will occur and Russia's position will become even worse while the internal reactionary forces will get a still more fertile environment.

As a result, in the future even the most democratic politicians in Russia will have to weaken the new status quo in Europe, which is not beneficial to the country, and expend efforts and resources to remove the consequences of a move that could have been avoided.

By supporting the aspiration of East European countries to join NATO, we are helping our neighbors solve some problems. After entering NATO the East European countries will feel more secure. By granting them membership in the bloc instead of EC membership, which is far more vital for East European states, Western Europe will get them off its back for a certain amount of time. The NATO bureaucracy will receive a new sphere of activity and additional guarantees for the survival of their organization. At the same time, however, we shall create a multitude of problems for ourselves and therefore, in the end, also for our neighbors.

In the West there are not a few opponents of expanding NATO. Their chief argument is that Russia must not be isolated and set against Europe. Now we are running the risk of undermining this argument ourselves and contributing to the creation of a Weimar situation for Russia.

We cannot and we must not forbid sovereign countries, our neighbors, to join those unions that they are seeking to join. However, we can certainly use the art of diplomacy and political levers to prevent an unfavorable course of developments for ourselves. Russia can and must state that the expansion of NATO will aggravate its isolation and jeopardize its democratic development. In order to avoid this and to consolidate its security, Russia must insist on its admission to the North Atlantic alliance simultaneously with Poland, Hungary, and the Czech Republic.

The Russian president has already raised the issue in these terms. It is only needed to reaffirm this position unequivocally and to offer a choice to our partners: either to admit Russia or to openly go ahead with isolating it. By firmly upholding our reasonable interests, we shall be taking care not only of ourselves but also of Europe, a part of which we have been and shall continue to be.

Troop Withdrawal From Poland 'Practically Completed'

LD1509164893 Moscow ITAR-TASS in English 1527 GMT 15 Sep 93

[By ITAR-TASS correspondent Aleksandr Potyomkin]

[Text] Warsaw September 15 TASS—"The withdrawal of Russian troops from Poland has been practically completed," Colonel General Leonid Kovalyov, commander of Russian Northern Troops and special envoy of the Russian Government in charge of troops withdrawal from Poland, said in an interview with ITAR-TASS today.

He said that a small group of Russian servicemen, including 15 soldiers and 20 officers, remains in Poland. They will take part in a ceremony of bidding farewell to Russian servicemen which will be held in the Polish capital on Friday [17 September].

The general said that in this way Russia had fulfilled its commitments envisaged by a treaty on friendly and good-neighbourly cooperation between the two countries and agreements on the withdrawal of troops ahead of schedule, reached by Presidents Boris Yeltsin and Lech Walesa. Moreover, at the request of the Russian side, the deadline set for the withdrawal of remaining troops was shortened by 13 days, Kovalyov said.

Russian servicemen have handed over property, military facilities and garrisons to representatives of the Polish authorities.

On Wednesday [15 September], the last remaining motorized convoy had been preparing to leave the former Russian largest garrison in the town of Legnica and is to abandon the Polish territory on Thursday. The last group of Russian officers and soldiers will be given a salute of honor by Polish guards in front of the Belweder Palace on September 17 and on the same say will leave Warsaw for homeland.

Sweden To Test Russian Tank

PM1609082593 Moscow KRASNAYA ZVEZDA in Russian 14 Sep 93 p 3

[Own Information-ITAR-TASS report under the "Military News from Abroad" column: "Swedes Take a Fancy to T-80U"]

[Text] The Swedish military authorities have made the final decision to carry out tests of the Russian T-80U battle tank.

Swedish crews have spent two weeks in Russia undergoing training in the Russian tanks, which will be tested on Swedish soil to determine suitabilility for arming mechanized brigades of the Swedish ground forces. At present these brigades are equipped with an outdated model of the Centurion tank. It is envisaged that 1-2 billion kronor will be spent on replacing it with a more up-to-date vehicle. One option is the Russian tank, another is the German Leopard. The purchase of 150-200 armored vehicles abroad is involved here. It is expected that Sweden will make its decision on this question in the fall of 1994.

Khasbulatov Receives Swiss Parliamentarians

LD1509125193 Moscow ITAR-TASS in English 1136 GMT 15 Sep 93

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow September 15 TASS—"Parliamentary contacts are exceptionally important to Russia, particularly under new conditions when the process of the establishment and practical formation of the Russian state is under way," Russian parliament speaker Ruslan Khasbulatov said when receiving a swiss parliamentary delegation in the parliament building here on Wednesday.

The delegation of the Foreign Policy Commission of the National Council of the Swiss National Assembly, led by commission chairman Albrecht Richen, is currently in Moscow at the invitation of the Supreme Soviet (parliament) of Russia.

Describing the work of the parliament, Khasbulatov said "the process of the accumulation of a legislative basis of reforms is now in progress."

Mr Richen expressed great interest in the development of contacts with Russia. "We are interested in securing that the great powers, one of which Russia is, cooperate in peace, and that conflicts are resolved as far as possible without the use of weapons," he emphasised.

Asked by the guests whether the Russian Parliament had developed rapport with the government, Khasbulatov made it clear that no solution to that effect had been found so far.

Delegation Visits Turkey, Defense Fair

PM1609091593 Moscow KRASNAYA ZVEZDA in Russian 15 Sep 93 p 1

[Boris Borisov report: "Participation in International Show"]

[Text] Moscow—A Russian Defense Ministry delegation headed by First Deputy Defense Minister Andrey Kokoshin is visiting Turkey 14-17 September to take part in the international defense industry fair.

During the visit it is planned that Andrey Kokoshin will meet with Turkish National Defense Minister Nevzat Ayaz.

COCOM Restrictions To Be Weakened if Conditions Met

PM1609095193 Moscow IZVESTIYA in Russian 14 Sep 93 First Edition p 3

[Vladimir Mikheyev report: "COCOM Trade Restrictions Will Be Lifted, If Russia Fulfills a Number of Conditions"]

[Text] New cracks have appeared in the tough framework of COCOM [Coordinating Committee for Multilateral Export Controls] restrictions. The United States has proposed a plan for the cardinal reform of this organization.

Washington confirms its former promises to gradually reduce all the obstacles to the transfer of advanced technology to the countries of East Europe and the former USSR and proposes to create in place of COCOM, without abandoning the experience "gleaned," a system for monitoring the export of conventional weapons, raw materials, and dual-purpose know-how to the developing countries. The plan has been submitted for examination by the governments of the G-7.

It is worth noting that the United States began to air the idea of "weakening" the restrictions on the sale of the components of high-speed computers that can perform up to 67 million operations a second to its former ideological and military-strategic opponents back at the end of August. At the present time we can import from the 17 COCOM member countries slower computers with a speed of not more than 12.5 million operations per second.

Despite the consistent policy of scaling down COCOM's activity, which it is planned to implement over two years, the United States does not intend to destroy the discriminatory barriers unconditionally. There is the following proviso: COCOM will be buried once and for all only if the republics of the former USSR and East Europe do not carry out the "uncontrolled export" of arms and military technologies to the developing countries, to regions engulfed in the flames of interethnic conflicts, or to states posing a "threat to regional security."

The list of "undesirable" countries compiled by the United States includes, of course, Libya, Iran, Iraq, and the DPRK. At the same time the criteria are not clearly defined. Who is to be classified in the category of "developing countries"? India, to which Russia was supposed to deliver cryogenic rocket engines? Ukraine, which would like to move into this category within the UN framework? Tajikistan, which is experiencing pressure from the opposition as an independent sovereign state and problems with the organizational development of its own armed forces?

Again it is unclear: If interethnic conflicts flare up on Russia's southern borders, does this mean that COCOM sanctions will be automatically introduced, albeit under a new name? And finally, who will measure the "threat to regional security"?

As of today the plan for the peaceful regeneration of COCOM, hedged round as it is with U.S. provisos, leaves, in short, many questions unanswered.

Foreign Trade Draft Seen as Basis for GATT Talks

PM1609084793 Moscow ROSSIYSKIYE VESTI in Russian 15 Sep 93 p 1

[Unattributed report: "Decision in Preparation: Foreign Trade Memorandum"]

[Text] The draft memorandum "On the Foreign Trade Regime of the Russian Federation" prepared by the Russian Federation Ministry of Foreign Economic Relations is the basis for the beginning of talks on Russia's membership of GATT.

The draft contains a general description of current Russian economic legislation, first and foremost the foreign trade regime and the legal basis of trade and economic relations with foreign countries, the mechanism for regulating the domestic market, taxation and currency policy, and the credit and monetary and banking systems.

Foreign Firms To Develop Siberian Oil Fields

LD1609084593 Moscow ITAR-TASS in English 0732 GMT 16 Sep 93

[By ITAR-TASS correspondent Mikhail Prutkin]

[Text] Khantiy-Mansiiks (western Sibera) September 16 TASS—The "Amoco" and "Shell" companies have won the first contest among foreign firms for the right to take part in the development of oil fields in the Khanty-Mansiiks autonomous district, the first-ever in Siberia.

"Amoco" will be a partner of the "Yuganskneftegaz" association in prospecting and working the Priobskiy oil field.

The "Shell" company, jointly with the local "Evokhon" company, will begin simultaneous work on three oil deposits. Russia, the Tyumen region and the Khanty-Mansiisk autonomous district are expected to get a profit of six million U.S. dollars from such cooperation on the oil fields of the Priobskiy deposit alone.

The fact that the tender had lasted a whole year and consisted of several stages testifies to the thoroughness of the selection.

Chairman of the District Council of People's Deputies Valeriy Churilov says that the tender was the first real step of the district's oil industry towards a market economy, because it was marked by a very keen contest. The local authorities have already announced the second tender and are making preparations for one more.

Japanese Foreign Minister Views Upcoming Yeltsin Visit

LD1609101093 Moscow ITAR-TASS in English 0917 GMT 16 Sep 93

[By ITAR-TASS correspondent Vladimir Kutakhov]

[Text] Tokyo September 16 TASS—Tsutomu Hata, deputy prime minister and foreign minister of Japan, said today that, judging by the results of his conversation with his Russian counterpart Andrey Kozyrev, that took place recently in Washington, where they both attended the ceremony of signing Palestinian-Israeli agreements, he got the impression that the Russian side is planning a visit to Tokyo on the summit level in mid-October, this year. According to the KYODO TSUSHIN news agency, the Japanese foreign minister told about it in Phnom Penh, where he came to hold talks with the Cambodian Government.

Tsutomu Hata stressed "the importance of a serious discussion of Japanese-Russian problems." He announced his intention to meet Kozyrev once again at the U.N. General Assembly session, which starts in September in New York, and to discuss with him the issues dealing with the forthcoming visit of the Russian president to Japan.

Visit 'Tentatively' Set for 12-14 Oct

OW1609112893 Tokyo KYODO in English 1112 GMT 16 Sep 93

[Text] Moscow, Sept. 16 KYODO—Japan and Russia have tentatively agreed to schedule Russian President Boris Yeltsin's visit to Japan for October 12 to 14, diplomatic sources said Thursday [16 September].

The visit could be extended by one day should Yeltsin desire to visit places other than the capital, the sources said.

However, Yeltsin's visit is conditional pending agreement on how to handle the 1956 Japan-Soviet Joint Declaration pledging the eventual return of two of four Russian-held islands claimed by Japan, they said.

Besides differences of opinion over the statement, Russia's unstable domestic situation is considered another imponderability, the sources said.

In the 1956 Joint Declaration, which restored diplomatic ties between Japan and the former Soviet Union, Moscow promised to return two smaller islands, Shikotan island and the Habomai group of islets, to Japan upon conclusion of a peace pact.

Japan has long called for the return of all four Russian-held islands, including Kunashiri and Etorofu, which the Soviet Union seized at the end of World War II.

Yeltsin, engaged in a long-standing power struggle with the parliament, has twice canceled a visit to Japan on short notice, citing political turmoil at home.

Yeltsin proposed the October date in talks with then Prime Minister Kiichi Miyazawa during the Tokyo summit in July of the Group of Seven (G-7) major economic powers.

Japanese Foreign Ministry officials said they hope final arrangements will be made before foreign minister Tsutomu Hata and Russian foreign minister Andrei Kozyrev meet at the end of this month in New York at a United Nations General Assembly session.

Russian sources said that in bilateral vice ministerial talks Moscow gained the impression that the new Japanese coalition government led by Prime Minister Morihiro Hosokawa may take a more flexible stance on the nagging territorial dispute and on how the 1956 agreement should be reflected in a joint statement to be issued during Yeltsin's visit.

Officials are working on a compromise statement that would reflect Japan's stance, call for observance of bilateral treaties and indirectly reaffirm the validity of the 1956 agreement, the sources said.

Japanese Foreign Ministry sources said they were still taking a positive stance and expected the presidential visit to "materialize somehow," while taking into account Yeltsin's embattled situation at home.

Yeltsin's attempt to push through general elections to get rid of his conservative foes in parliament may trigger new upheavals and jeopardize the visit, they said.

They also said Yeltsin reportedly plans to take a rest to cure back pain and other health problems after attending the summit of the Commonwealth of Independent States (CIS) slated for September 24 in Moscow.

Thai Delegation Arrives in Moscow; Agreement Expected

PM1509143993 Moscow ROSSIYSKIYE VESTI in Russian 14 Sep 93 p 2

[Unattributed report under "Monitoring" rubric: "Visits"]

[Text] Surin Phitsuwan, deputy minister of foreign affairs of the Republic of Thailand, arrived in Moscow yesterday on an official visit. He heads a delegation which includes representatives of the Ministries of Industry, Agriculture, and Education, the Central Bank of Thailand, and the national oil company.

After the delegation's two-day stay in Kazakhstan the program of the visit provides for Russian-Thai consultations and meetings and talks in a number of Russian ministries and departments 15-16 September. An agreement setting up an intergovernmental commission on bilateral cooperation is also expected to be signed at the Russian Federation Ministry of Foreign Economic Relations.

Cooperation Agreement Signed

LD1509115193 Moscow Russian Television Network in Russian 1000 GMT 15 Sep 93

[Report by correspondent K. Belov; from the "Vesti" newscast]

[Text] Today Russian-Thailand talks ended with the signing of an intergovernmental agreement on setting up a joint commission for bilateral cooperation. When he put his signature to the document, Thailand's Deputy Foreign Minister Surin Phitsuwan, highly assessed the efforts of the Russian side to expand trade and economic ties, that are, in his opinion, very promising, especially in the sphere of tourism and trade. Last year the Russian-Thai trade turnover amounted to almost 500 million dollars, but that is only just over one percent of the foreign trade turnover of Thailand.

The first intergovernmental agreement of the new Russia with Thailand, Ivan Materov, deputy minister for foreign economic relations, noted, is just the beginning of the big and difficult job of creating the mechanism to service these ties, of the quest for partners among commercial firms whose trade will yield maximum profits.

Next week Deputy Prime Minister Aleksandr Shokhin will continue this work with his Thai counterpart.

Thailand Proposes Mechanism To Settle Debt

BK1609033993 Bangkok THE NATION in English 16 Sep 93 p A7

[Text] Thailand yesterday proposed that Russia set up an open account as a new mechanism to settle debt and facilitate bilateral trade.

Deputy Foreign Minister Surin Phitsuwan made the overture during a discussion with Deputy Minister of Foreign Economic Relations Ivan Sergevrin Materov.

The idea was proposed to sustain trade between Thailand and Russia which will top US$1 billion this year.

Surin urged direct trade with Thailand via the open account, which can be used to facilitate both barter trade and as a clearing-house for bilateral trade.

At the moment, about 75 per cent of the Thai-Russian trade volume goes through a third country. The minister expressed the hope that the new mechanism would promote bilateral trade and economic relations and reflect the real potential of both trading partners.

In this connection, Surin said that Deputy Prime Minister Amnuai Wirawan would visit Moscow at the end of this month for further discussions.

Surin and Materov also signed an agreement to set up a Thai-Russian joint commission to promote trade and economic relations.

Russia owes Thailand a total of US$263 million for the estimated 500,000 tonnes of rice imported in the past few years. In early 1992, Thailand extended Russia US$200 million in rice credit and US$500,000 million in medical and food aid to support economic reform.

Surin told Materov Thailand would like to settle the debt repayment in a friendly manner, realizing the difficulty Russia was experiencing in repaying scheduled debts to all creditors. He said that some arrangement could be made to reschedule part of the debt due, worth about US$61 [figure as published].

Materov told reporters that Surin's visit would certainly strengthen Thai-Russian relations and that Russia would work out a way to settle the debt with Thailand as a priority. He would discuss this matter and bilateral issues when he visited Bangkok later this week to attend a defence exhibition.

Surin, who ended his two-day official visit to Kazakhstan on Tuesday, is on an official visit to Russia. He is the first senior Thai official to set foot here after the tumultuous changes in Russia since 1991. He is scheduled to hold talks with Deputy Foreign Minister Kunadze today on bilateral and regional issues.

Political Issues

Yeltsin Discusses 'Crisis' With Writers

LD1509225993 Moscow ITAR-TASS World Service in Russian 1707 GMT 15 Sep 93

[By ITAR-TASS correspondent Olga Svistunova]

[Text] Moscow, 15 Sep—Today at 1600 hours sharp, Boris Yeltsin, who was in a good mood, arrived at his residence, where he was scheduled to meet with Russian writers.

The reason for the meeting is an appeal by a large group of writers to the citizens of Russia, which was sent to the mass media on 5 August. In this document, its authors spoke out in favor of reforms and demanded early elections to the highest body of the legislative power, no later than this autumn. Let us remind you that among those who had signed this appeal were such prominent cultural figures as academician Dmitriy Likhachev, prosaist Ales Adamovich, poet Bella Akhmadulina, writers Boris Vasilyev and Anatoliy Pristavkin, poet Robert Rozhdestvenskiy, and many others.

Boris Yeltsin acknowledged that at present, the country is going through a difficult and complicated, but not hopeless, period. Some signs of stabilization can be seen. However, the president did not conceal that he was also aware of the crisis that could be observed in politics, in the economy, and in culture. "But I am an optimist, and I am sure that in a year or two the situation will change," Yeltsin stressed. "Russia is already acknowledged to be a state that has boldly entered into market relations and has surpassed many CIS countries in this regard." He also added that in the past two weeks, virtually all the leaders of these states, and also of states that are not yet members of the Commonwealth, had visited Moscow. The path was clearly opening up toward drawing together and toward creating an economic union; the signing of a decision on setting up such a union on 24 September was proposed.

Then the floor was given to the guests. Valentin Oskotskiy, secretary of the Russian Union of Writers, spoke on their behalf. He did not conceal the fact that democratically-minded writers sometimes experience weariness and some irritation but, true to their civic position, they also try to find a way out of the difficult situation in which the fatherland finds itself. Therefore, they conveyed to the president a package of their proposals concerning, first of all, the intellectual sphere. The Russian writers suggest convening a congress of the intelligentsia devoted to the problem of preserving the single cultural space. They proposed that a public council on culture be set up under the Russian president. They also discussed alleviating the tax burden for creative organizations.

Yeltsin Cancels Meeting With Banking Figures

LD1609095393 Moscow Mayak Radio Network in Russian 0900 GMT 16 Sep 93

[Text] A meeting between President Boris Yeltsin and representatives of the Russian Federation banking circles, which was planned for today, has been postponed. The time for a new meeting will be announced later.

Ryabov Seeks Coordinated Draft Constitution by 5 Oct

MK1609073893 Moscow NEZAVISIMAYA GAZETA in Russian 16 Sep 93 p 1

[Ivan Rodin report under "Draft" rubric: "The Constitutional Process Has Speeded Up. A Coordinated Draft New Constitution Will Appear by 5 October"]

[Text] Today presidential structures are expected to send draft laws on federal power bodies and elections to the Supreme Soviet. These two documents are essentially a small constitution which, in the opinion of many of Boris Yeltsin's supporters, offers a good chance for all politicians, authorities, and groups that are opposed to each other to reach agreement. These draft laws will apparently be proposed for discussion at a Supreme Soviet session, but it appears that their approval by parliament is unlikely.

Nikolay Ryabov, chairman of the Constitutional Commissions's working group, therefore believes that their early appearance in the Supreme Soviet without prior informal talks would be undesirable. He told a press conference yesterday that work should not be stopped on creating a coordinated draft new fundamental law as the "small constitution" is the last chance to reach a compromise between the authorities. Unless the latter happens, according to Mr. Ryabov, "society will become not just an observer but a participant in the political crisis." Nikolay Ryabov is more amenable to another scenario for the constitutional process: A new constitution will be adopted, but the solution of the most controversial question—on the federal structure—will be postponed for the time being. The federal structure will remain as it is established in the current constitution and will change gradually, as consensus is reached on particular problems.

Nikolay Ryabov stated that the adoption of a new constitution now remains the main task and from this point of view, he is not very satisfied with the latest Supreme Soviet session. Yesterday the working group under his guidance drew up a draft resolution on the Constitutional Commission, reaffirming the need for a coordinated draft constitution created by merging the two competing ones. By 5 October a coordinated draft should be completed and then discussed after 5 October at a joint session of the Constitutional Commission and the Constitutional Conference. The Constitutional Commission's working group has tasked Nikolay Ryabov and Anatoliy Sliva (the president's representative in the Supreme Soviet) to meet with Boris Yeltsin and to

recommend that he listen to parliament's express wish to open political consultations on the question of adopting a new Russian constitution.

Rumyantsev Suspends Participation in Working Group

LD1509160793 Moscow ITAR-TASS World Service in Russian 1423 GMT 15 Sep 93

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[Text] Moscow, 15 Sep—Oleg Rumyantsev, responsible secretary of the Constitutional Commission, told an ITAR-TASS correspondent today that he has suspended his participation in the working group of the Constitutional Commission set up by the president of Russia for coordinating drafts of the constitution. The working group for working on the draft constitution, Oleg Rumyantsev thinks, should be set up on an equal footing for supporters of the versions of the Constitutional Commission and the constitutional conference.

Yeltsin Adviser Calls For Early Elections

PM1609102193 Moscow IZVESTIYA in Russian 14 Sep 93 First Edition p 4

[Article by Sergey Stankevich, adviser to the Russian Federation president: "Time To Fix A Date With the Voters. Early Elections Are Inevitable. However, All Participants in the Electoral Process Should Take a Step Toward One Another"]

[Text] Just as all roads once led to Rome, so all the roads of current Russian politics inevitably lead to elections. The conflict at the federal level of power is irreversibly approaching the stage of mutual paralysis. The sides drawn into the conflict are increasingly concentrating on prolonging a battle which has reached deadlock: They carry out intelligence and counterintelligence activities, they plan strategic operations, they shell the most active individual fighters, and they return blow for blow, but there is a fatal lack of energy for constructive efforts.

There are no victors in this type of conflict. Russian citizens and the Russian state once again find themselves on the losing end. The result is depressing: the demoralization of the population and its increasing alienation from authority per se. According to the data of analysts, over the past two to three weeks as a result of the campaign of compromising materials—a dirty-tricks campaign verging on parody—there has been a serious fall in the expected turn-out of voters at the elections. Seeing the way that buckets of slops are consistently poured over the top officials of the state, people cease to believe in anyone at all, and vow to take no part in election campaigns.

This situation of political cannibalism cannot be allowed to continue. Since the authorities cannot organize effective collaboration between one another, since their conflict is taking on an increasingly ungovernable and destructive character—irrespective of the degree of rectitude or guilt on each side—they are obliged to turn to the voters and give them the opportunity to make the choice themselves. This immediately forms an effective power.

The president has defined his position quite clearly, saying that he will insist on parliamentary elections in the fall of this year. The position of the other participants in the political drama is extremely changeable.

Six months ago the opposition called on the authorities to go to the polls, not expecting to win, of course, but hoping to reinforce their representation to such a degree that it would be possible to insist on a coalition government. The results of the April referendum made the radical opponents of the present authorities stifle their preelection speeches. Then, seeing how the federal authorities are getting bogged down further and further in suicidal war and how quickly the political credit won at the referendum is dissolving, the opposition resorted to a tactical maneuver, altogether dropping the slogan of early elections. Obviously, the opposition's strategists deemed, not without foundation, that in the prevailing conditions, time is on their side: The longer and more convincingly people connected with power demonstrate their incompetence, the more points the notorious "third" force would notch up to its account. If the present usages and trends are maintained, oppositionists claim, it will not even be necessary to shake the ruling regime—it will soon fall of its own accord.

It is quite probable that the recent secession of the grouping headed by S. Baburin from the ranks of the National Salvation Front was partly dictated by similar considerations. It would appear that a new redistribution of roles is taking place. The National Salvation Front will continue its tough pressure and remorseless attacks on the political regime, and the groups succeeding from it will try to take on the role of a "third" force.

In addition, it follows from V. Isakov's recent statements that the opposition is against adopting the constitution even in the Constitutional Conference's version, since the proposed fundamental law abolishes the Congress of People's Deputies and once again entails early elections.

The policy of blocking both early elections and the new constitution cannot be deemed civic-minded, farsighted, or patriotic, since it preserves the current political deadlock and inevitably leads to the further weakening of Russian statehood. Considerations of political advantage assume the central ground here, rather than any fundamental constitutional motives.

As for the forces pretending to the center of the political spectrum, here the idea of elections is supported, but with substantial provisos. A. Rutskoy and N. Travkin have individually demanded simultaneous elections of

the deputies' corps and the president, but not earlier than next spring. Both politicians have their personal sights set on participating in the presidential campaign and count on a parliamentary breakthrough by the parties standing behind them. Other centrist ideologues (A. Volskiy, V. Lipitskiy) are maintaining a significant silence, evidently weighing up in what situation they can derive the most advantage from elections.

The "Accord for the Fatherland" bloc now being formed, and which is headed by Yu. Skokov, another prospective presidential candidate, will soon assert serious claims to the role of the "constructive center" and, simultaneously, the "third force." All the signs suggest that this bloc will also campaign for dual elections next spring.

The majority of the Supreme Soviet, and especially its leaders, are categorically against elections for reasons that are just as obvious as they are banal.

The traditional argument that a newly elected parliament would be far less professional than the current one scarcely holds water. Parliament's most important act—the 1993 federal budget—was drawn up late, and, to put it mildly, not too thoroughly. The current parliament's work is increasingly subordinated to the logic of combat operations and the flashy voting with packs of electromagnetic cards undermines the legitimacy of the legislative process.

Those deputies who are genuine professionals have every chance of being reelected; for the rest, who do not wish to remain in politics, the state is obliged to furnish proper conditions for subsequent employment or retraining.

The frequent disingenuous references to the fact that the April referendum allegedly rejected the idea of early elections, and that thus any steps in this direction are unconstitutional, are also without foundation. A significant majority of participants in the April ballot supported the early election of deputies, and slightly over half agreed with presidential elections, which, incidentally, the president himself has been calling for. That this majority was insufficient to ensure that immediate legal consequences automatically ensued is quite another matter. But, after all, the preference of public opinion was revealed quite unambiguously! And if there are no automatic legal consequences, responsible politicians should assume the initiative themselves.

Let us note in passing that in April many citizens were being circumspect in not supporting elections, seeking to avoid complications and justly hoping that after the referendum the authorities would be able to stabilize the situation peacefully and voluntarily in accordance with the will of the citizens. This did not happen. If we were to hold a similar vote today, it is entirely probable that a constitutionally significant majority of Russian citizens would express themselves in favor of early elections.

The parliamentary bureaucracy is also playing a considerable role in the opposition to elections. In the four years of its existence the "Congress-Supreme Soviet" combination has formed a leading superstructure and a ramified system of service structures. The corporate interests of this estate, of course, are far from always compatible with early elections, and its opportunities for influencing the deputies' corps are obviously extremely substantial.

The most farsighted and responsible deputies have long since understood that the transition via elections from the current unwieldly "Congress-Supreme Soviet" combination to a normal, professional parliament will not only stabilize the system of the institutions of state power, but will also protect the very idea of parliamentarianism from being discredited by inertia or by deliberate policy.

The current argument that, should elections be held at the present time, the "mafia" would "buy up" the votes of the electorate and the seats in parliament, cannot be passed by without notice.

First, the new Law on Elections should contain, along with other guarantees, a requirement for the complete financial "openness" of candidates and election funds. Second, the further weakening of the state system that is inevitable if the present deadlock continues would be a far bigger present for the mafia.

Political forces which class themselves as having reformist tendencies are offering active support for the idea of early elections. The center-right (the "Accord for Progress" faction, the Russian Movement for Democratic Reforms, the Republican Party of the Russian Federation, the Party of Russian Unity and Concord, and the "Entrepreneurs for A New Russia"), the moderate liberals of the "New Russia" bloc, and the radical democrats of "Russia's Choice" are united on this point.

The possibility of implementing the idea of elections, however, does not depend on the loudness and frequency of calls for them, but on the ability to find a common language with one's political opponents, if only in the matter of bringing nearer the vital date with the voters.

It cannot be ruled out that the heads of Russia's republics and regions are destined to play a decisive role in bringing forward the elections. Their standpoints have, in recent times, displayed noticeable shifts. Up until recently, many leaders of the federation components have sought, because of the weakness of the federal center, to redistribute as much property and as many powers in their favor as possible, without prior consultation. Now, however, it is absolutely clear to them that without long-term political stability in the capital, federation components will be unable not only to enshrine the new grassroots redistribution of property and power in laws, but they will also be unable to make use of their newly acquired possibilities in any constructive way. And after all, it is not only the federal authorities who have to pay the promissory notes issued to the voters [i.e. face elections].

In addition, the heads of the federation components, not without justification, fear that the protracted confusion reigning in the capital will sweep up on the crest of the next political wave some "very firm hand" which will try, if not to eliminate at least to radically curtail the achievements of the "revolution of sovereignties." Compared with such a prospect, the road of political stabilization via elections of the federal organs of power is clearly preferable to the regional elites.

The most reliable and least painful road to elections and subsequent political stabilization is an agreement on this key question between the president, the Congress of People's Deputies, the heads of the federation components, and the leaders of political parties. I am convinced that an agreement of this kind would meet with understanding and support in the Russian Federation Constitutional Court.

The field for possible compromise between the different political forces is fairly wide: the character of the elections (parliamentary, presidential), the timetable, the conditions for holding them, and the package of necessary legal acts.

Probably there is sense in discussing the possibility of adopting a constitutional law on the structure, powers, and procedure for forming the federal organs of power. Proposals to elect parliament for two years for priority adoption of the Constitution and other stabilizing acts, or for the partial renewal (by one-half or one-third) of the lower chamber of parliament every two years so as to ensure professional continuity in the deputies' work deserve attention.

In other words, instead of a political war of attrition, what we need are immediate consultations and practical efforts on the part of all truly democratic and truly patriotic forces to reinforce the one-and-only Russian state, whose value for all of us is beyond question and of paramount importance.

Economic Freedom Party Backs Early Elections

PM1609102793 Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 93 First Edition p 3

[Robert Minasov report under "In Parties and Movements" rubric: "Reformers Have a Chance. If Not a Last Chance"]

[Text] The Economic Freedom Party has held its latest press conference in Moscow, setting out to the supreme organs of power its position on the question of early elections.

Participants in the press conference—Vitaliy Kryuchkov (Moscow) and Aleksandr Khomyakov (Kostroma), leaders of regional Economic Freedom Party branches, party General Secretary Irina Khakamada, and others—drew the journalists' main attention to the statement adopted by the Economic Freedom Party Political Council analyzing the current sociopolitical situation and outlining ways of solving the crisis.

From the outset, the statement says, the Economic Freedom Party has openly and consistently advocated the legitimate dismantling of the system of soviets, an essential stage of which is elections to a new Russian supreme legislative organ, replacing the Congress of People's Deputies and the Supreme Soviet with a normal professional parliament.

The version of the draft constitution elaborated on by the Constitutional Conference, the document's authors acknowledge, did not receive decisive support from influential forces in the center nor, most importantly, in the regions. Nor have the efforts to create a transitional constitutional law or a law on the supreme organs of power been successful so far.

However, the Economic Freedom Party believes that the reformist forces have a chance to implement the results of the April referendum and to hold elections no later than the first quarter of 1994. The presidential side's initiative to hold simultaneous parliamentary and presidential elections would provide the best chances of achieving this.

The question of the Federation Council was raised at the press conference. The Economic Freedom Party leadership believes that the actual idea of creating this organ merits support, although not unconditional support. As a consultative-deliberative organ the Federation Council can help to bring about the holding of early elections very soon, but after they have taken place it must terminate its powers.

Democratic Initiative Party Holds First News Conference

LD1509211693 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 15 Sep 93

[Report by correspondent Aleksandr Lutskoy including recorded remarks by P. Bunich, chairman of the Democratic Initiative; from the "Novosti" newscast]

[Text] [Lutskoy] Democratic Initiative, a newly formed party, held its first news conference in Moscow today. Explaining the meaning of the party name, its chairman and well-known economist Pavel Bunich said the word initiative contained an inner protest against the present lack of initiative, and against squabbles and other nasty details of current political life in the country. The Union of Entrepreneurs and Leaseholders, which unites about 10 million members in 57 administrative regions of Russia, is the organizer of the new party.

[Bunich] Many parties are based on people's professions, for example, the Party of Entrepreneurs, the Party of Agrarians etc. We are different. We just want to unite all those who, irrespective of their profession, irrespective of their post, are drawn toward our outlook. We are for a strong democracy. This is our number one slogan. Our

second slogan is no shock therapy. There is enough now of shock therapy, recession in production, and fall in living standards.

[Lutskoy] Advocating a smooth transition to civilized market relations in the economy and adhering to centrist positions in politics, the leaders of the new party expressed confidence that in the very near future Democratic Initiative would have no fewer than 10,000 members.

Republican Party Holds News Conference

PM1609090993 Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 93 First Edition p 3

[Andrey Zhukov report under "In Parties and Movements" rubric: "Beware the 'Hungry Young Wolves'"]

[Text] The leadership of the Republican Party of Russia has held a news conference at the Russian Sociopolitical Center in Moscow. The news conference was attended by Vladimir Lysenko, Igor Yakovenko, Aleksandr Mekhanik, and Vyacheslav Shostakovskiy, who are members of the Republican Party of Russia Political Council.

Shostakovskiy told journalists that irrational tendencies are increasing in Russia; what we can observe in the Russian leadership is flapping, indecisiveness, empty declarations, etc. The bureaucratic stratum has spread and is growing fat like never before. The apparatus has not only retained but has multiplied its privileges. In Shostakovskiy's opinion the Russian Government does not have a coherent regional policy. The new constitution can be adopted only when positive trends appear in the economy.

Russian People's Deputy Lysenko, a member of the Republican Party of Russia Political Council, stated that the struggle between the president and parliament has reached the utmost intensity and a reconciliation between the sides is an unlikely possibility. But, Lysenko noted, the "Accord For the Sake of Progress" parliamentary faction will try to block "antipresidential" decisions at the upcoming November Congress of People's Deputies. Lysenko is hoping for coordinated actions by this entire faction, since nine republicans belong to it. But Lysenko confirmed that the entire Republican Party and its parliamentary representatives will support the president only if he observes the existing constitution's provisions.

When answering journalists' questions, Mekhanik admitted that the Republican Party is very small—only 5,000 people throughout Russia. But a number of republicans head local soviets and administrations, and this is extremely valuable.

The question of possible new parliamentary elections was broached at the news conference. The Republican Party of Russia leaders stated that they see their allies as being the Economic Freedom Party, the Free Labor Party, and a number of other organizations.

Shostakovskiy expressed a pessimistic view of the possible outcome of new political elections, since the accession to power of new people always means the accession of "hungry young wolves."

Moscow Meeting of Communist Workers Issues Demands

PM1609083393 Moscow SOVETSKAYA ROSSIYA in Russian 14 Sep 93 p 1

[Galina Orekhanova report: "Workers Gathered for Council"]

[Text] "We, the assembly of communist workers of multinational Russia, state: All society exists on account of the urban and rural working people and we as producers have the natural right to the use, ownership, and disposal of all public property. Only we, now that we have realized clearly where our interests lie and have acquired an iron will, can put an end to the free-for-all together with our blood brothers—the peasants and patriotic intelligentsia. All those who understand and support the following social demands of the working class will be our allies in the struggle for national liberation:

"1. Control by the working people over economic and social policy;

"2. Genuine distribution based on labor, not a leveling of genuine and lazy workers, but a labor-based equality, no restrictions in wages for honest work, no special privileges for shirkers;

"3. Constitutional guarantees against unemployment;

"4. State health care for the people, families, children, and the elderly, and health and safety inspection in the workplace;

"5. Free primary, secondary, and higher education which is open to all;

"6. The Soviet form of democracy!"—this is a summary of the results of the assembly of workers and communists which took place 11 September in Moscow. The debate proceeded with difficulty, its work was analytical, detailed, and honest. Representatives of labor collectives from 62 of the Russian Federation's regions—representing practically all sectors in the national economy—gathered for this assembly of workers and communists which was convened on the initiative of the Moscow Council of Workers and was supported by the Russian Federation Communist Party Central Executive Committee Presidium. I repeat, the work proceeded with difficulty, the workers put forward many proposals on organizing an all-Russia protest movement against the colonial slavery, which is smothering our country like an

octopus. The refrain in all the speeches was to demand the unbroken unity of all politically conscious patriotic forces in society.

Zorkin's Exclusion From Residence Explained

PM1509152193 Moscow ROSSIYSKAYA GAZETA in Russian 14 Sep 93 First Edition p 1

[Constitutional Court press service report under "O Tempora, O Mores" rubric: "Hello, Bacillus Pyocyaneus!"]

[Text] On 9 September the necessary measures were taken to put a stop to legal arbitrariness in connection with the Main Protection Administration's decision not to let V.D. Zorkin, members of his family, and Constitutional Court members into Ogarevo-3, the Russian Federation Constitutional Court chairman's official residence.

But it has been learned from conversations with S.A. Filatov that neither the president nor his administration's leadership were involved in the Main Protection Administration's actions. And at 1800 hours information was received from this protection service about the temporary suspension (until 13 September this year) of the execution of the order of M. Barsuk, chief of the Russian Federation Main Protection Administration.

The Russian Federation Constitutional Court chairman and a group of invited security officers (the Russian Federation Constitutional Court and judges were stripped of official and personal protection back in June this year) arrived at Ogarevo-3 in the evening, after finishing a court session. Then a staffer from the Main Protection Administration Headquarters reported the following about the grounds for the aforementioned actions in relation to Zorkin.

He had received an oral instruction on behalf of Barsuk back on the evening of 8 September. The orders were not to let the Russian Federation Constitutional Court chairman into Ogarevo-3 after he and members of his family had left the residence the next morning. The reason for this was given as the Russian Federation Main Protection Administration medical service's conclusion about the discovery—back on 25 May—"of an emission of bacillus pyocyaneus" in the water of the entire complex of facilities located in Ogarevo, which are also used for state receptions attended by the Russian Federation president and other top executive branch officials.

Unfortunately the Russian Federation Main Protection Administration staffers could not explain why the **Main Protection Administration** did not deem it necessary to inform either the Constitutional Court chairman or the "users" of the Ogarevo complex's other facilities of this for almost four months, although this service is to well nigh a great extent responsible for the health of the executive branch's top officials!

Procurator General Urges Changes to Housing Law

LD1609100493 Moscow ITAR-TASS in English 0845 GMT 16 Sep 93

[By crime press correspondent Nikolay Semenenko]

[Text] Moscow September 16 TASS—Russian Procurator-General Valentin Stepankov has appealed to the Supreme Soviet of Russia to urgently ammend the legislation on the privitisation of housing. The laws in force, in his opinion, do not fully guarantee the interests of the underaged.

According to a report released by the information and public relations centre of the Russian procurator-general's office with reference to existing practices, there are loopholes in the legislation allowing various infringements upon the rights of children and juveniles. The absence in the law of a stipulation that the underaged should be included in the list of housing owners and the fact that the legal protection of their interests is not properly ensured in transactions with housing facilities have already brought about a situation when many children have remained without a roof overhead.

The procurator general believes that this question brooks no delay. It is necessary to urgently amend the existing legislation in order to ensure a reliable protection of the rights of the underaged in the process of the privatisation of housing.

Commission Formed To Tackle Ecological Problems

LD1509131393 Moscow ITAR-TASS in English 1248 GMT 15 Sep 93

[By ITAR-TASS correspondent Mikhail Karlov]

[Text] Moscow September 15 TASS—Environmental problems in Russia are not diminishing, they are growing. Political, administrative instability, economic chaos and insufficient elaboration of theoretical and applied aspects of environmental protection only aggravate them. Areas of ecological disaster and unwholesomeness make up about 15 per cent of Russia's territory, Aleksey Yablokov, adviser to Russian President Yeltsin on environmental and public health issues, told ITAR-TASS on Wednesday [15 September].

A corresponding member of the Russian Academy of Sciences, Yablokov chairs an interdepartmental commission on ecological safety, which was formed under the Security Council of the Russian Federation to tackle environmental problems.

Yablokov noted that the situation seems to be gradually turning for the better. A federal programme entitled "Conception of Russia's Environmental Safety and the Law of the Russian Federation on Safety" were adopted recently.

Besides, President Yeltsin issued some 40 decrees and instructions relating to ecological issues; the government - over 120 relevant enactments. A number of additional bills are being prepared.

But still ecological problems abound in Russia, said Yablokov. Industrial accidents and catastrophes, which became frequent of late, are influencing people's health in a negative way.

Giant nuclear power plants had been constructed without making allowances for their possible "freezing" - despite the fact that their validity term is estimated at 30 to 40 years.

The following main tasks are now facing the interdepartmental commission on ecological safety: firstly, to evaluate ecological threats and safety means; secondly, to analyze information on systems of ecological safety and their work; thirdly, to forecast possible disasters.

The commission brings together representatives of all the key ministries and departments. They will meet at least once a month.

Law has it that information on environmental safety should be accessible to all Russian citizens.

Roundup of Government Officials' Recent Activities

PM1509121993 Moscow ROSSIYSKIYE VESTI in Russian 14 Sep 93 p 1

[Unattributed "Executive Power: Monitoring" report: "Meetings, Conferences, Trips"]

[Text] Viktor Chernomyrdin, chairman of the Russian Federation Council of Ministers, had a meeting Monday [13 September] with Russian President Boris Yeltsin.

Then the prime minister tackled current issues, including those connected with his recent trip to Kazakhstan.

Yesterday First Vice Premier Oleg Lobov visited the "We Build Russia-93" international seminar-exhibition at the Slavyanskaya Hotel. In the afternoon he met with I. Silayev, representative of the EEC Commission.

Sergey Shakhray, deputy chairman of the Council of Ministers, was on a trip to Chita.

Vice Premier Aleksandr Shokhin talked with A. Lisitsin, head of Yaroslavl Oblast Administration. Then he had several working meetings with representatives of a number of Russian organizations.

Yuriy Yarov, deputy chairman of the Council of Ministers, met with A. Alekseyev, chairman of the International Committee on Rights of Servicemen and Members of Their Families, and Ye. Fedotov, chief editor of the newspaper EKOLOGIYA.

In the afternoon Yuriy Yarov had a meeting with Roman Paldan, ambassador of the Slovak Republic to the Russian Federation.

Vice Premier Anatoliy Chubays is on a trip to Austria.

Leaders' Activities Updated

PM1609085993 Moscow ROSSIYSKIYE VESTI in Russian 15 Sep 93 p 1

[Unattributed "Executive Branch: Monitoring" report]

[Excerpt]

Meetings, Visits, Conferences

As usual, Russian Premier Viktor Chernomyrdin met with Russian President Boris Yeltsin Tuesday [14 September]. They discussed a broad range of questions pertaining to the economic and financial spheres and the government's tasks.

Tomorrow the head of the Russian Federation Government is setting off on a two-day working visit to Bryansk. On Friday, 17 September, he will take part in a ceremonial meeting and rally devoted to the 50th anniversary of the city's liberation from the fascist invaders, and he will meet with the leaders of Russian and Belarusian border oblasts. It is planned that the prime minister will visit the oblast's Krasnogorskiy Rayon, where he will meet with its leadership and will also tour the Bryansk Machine Building Plant.

First Vice Premier Oleg Soskovets is on vacation.

First Vice Premier Oleg Lobov has a fairly strenuous work schedule. For instance, in the morning Oleg Lobov is chairing a collegium session at the Economy Ministry which will discuss current economic problems and measures to stabilize the economic situation. Then he is going to receive a delegation of governors from the island of Hokkaido, and the theme of the discussion with them will be the development of Russian-Japanese trade and economic ties. In the evening he met [past tense as published] with representatives of the Yamalo-Nenetsk Autonomous Okrug.

Vice Premier Aleksandr Shokhin has held a working session of the Debt Commission. As the vice premier's press service has reported, this session will discuss the problem of the foreign debt inherited by Russia as successor in law to the Soviet Union. In the afternoon Aleksandr Shokhin will meet with representatives of the EC Commission. Attention at the meeting will focus on relations between Russia and the EC and the conclusion of an agreement between them.

Vice Premier Yuriy Yarov is on vacation.

Vice Premier Sergey Shakhray's official trip to Krasnoyarsk is drawing to a close. Sergey Shakhray visited the Krasnoyarsk Machine Building Plant, one of Russia's

major defense enterprises, and then met with representatives of the kray's creative and scientific intelligentsia. Before departing for Moscow Sergey Shakhray intends to hold a conversation with the inner circle [v uzkom krugu] of the leadership of Krasnoyarsk Kray.

Vice Premier Boris Fedorov has met with the head of Voronezh Oblast Administration. In the afternoon Boris Fedorov held talks with A. Summers, U.S. deputy treasury secretary. [passage omitted]

Efforts Made To Tighten Air Transport Regulation

PM1609085193 Moscow IZVESTIYA in Russian 11 Sep 93 First Edition p 4

[Viktor Belikov report: "Licensing of Air Transport Operations Will Erect Barriers in Way of Unregulated Flights"]

[Text] A government decree which recently came into force attempts to put an end to the organizational and commercial anarchy which has reigned for some time on air routes and at airports. It defines a compulsory state licensing procedure in air transport.

The notorious monopoly of Aeroflot, which continued for many decades, has ended in an even worse disaster—complete disorder on air routes, the spontaneous formation of transport companies of various calibers, and total arbitrariness in setting tariffs for transporting passengers and freight. It is impossible even to find out the elementary schedule of flights—they fly whenever they like—to Istanbul and Nizhnevartovsk, to nearby foreign parts and to the other end of the world...

"All over the world," Ye. Kononov, chief of an air transport department section, said, "there is a sophisticated system of state regulation of the activities of national and commercial airlines and other organizations which carry out transport processes in the air and at airports. There is the issuing of licenses, which are granted on a competitive basis to particular operators of aviation technology.

"There are now approximately 200 such carrier enterprises in Russia—which is an excessive number. Particularly as they include quite tiny ones which lease one or two aircraft from someone but do not have their own technical base, equipped parking bays, or even their own check-in desk at the air terminal.

"The government decree limits opportunities for making 'unregulated' flights, which pose a considerable danger to air traffic. Under the program which has been drawn up, a permanent commission of leading specialists of the air transport department compares the actual potentials of several competing air transport enterprises which wish to operate an air route. At the same time, account is taken of the degree of training of their flight and ground personnel, the level of services offered, the provision of fuel and other material and technical resources, and the size of the tariffs for transporting passengers and freight.

"An indispensable condition when selecting airlines is the absence of double standards in servicing domestic and international routes. Service and inflight catering must meet standard criteria. The state's regulating function also takes the form of ensuring that routes which aviators consider unprofitable but which, on the other hand, are essential to the population of entire regions do not end up forgotten and not operated. Their servicing is specially stipulated in the license when granting the right to fly commercially profitable routes abroad. In particular, these could be flights to a good 10 U.S. cities, to which air communication now has to be opened up.

"The so-called state-appointed carriers which have received a license in exchange for a certain payment will be obliged to maintain their reputation. This will be monitored by a control group, which has the right to impose a heavy fine on a company for violations and, on repeat flaws in work, to take away the license, which is issued first for one year and then for five years."

"We will hope that the level of the demands made by this commission will prove quite high—which can only benefit air travelers. But will many of the air enterprises now operating in Russia be able to maintain high standards? They will start referring to 'objective reasons,' a shortage of this, a lack of that...."

"The economy of the transport services market," Kononov explained, "presupposes precisely that those which cannot cope with their adopted responsibilities will have to lose their licenses and give way to more efficient and vigorous collectives and to leaders who are capable of surviving without continual state subsidies. It is my personal opinion that the first to disappear will be the Lilliputian airlines, while hardier 'formations' will soon start merging, uniting in economically strong and widely ramified air transport associations. This is precisely the process which is now taking place in world air transport."

Economic Issues

Fedorov Argues for Tight Money Supply

PM1509124593 Moscow IZVESTIYA in Russian 15 Sep 93 First Edition p 4

[Article under the rubric "Notes on the Obvious" by Russian Finance Minister Boris Fedorov: "Printing Money Is the Opium of the Economy"]

[Text] "Printing money is the opium of the economy." G.Ya. Sokolnikov, the USSR people's commissar for finance and one of the fathers of the financial stabilization of the twenties, once proposed hanging that sign outside the Higher National Economic Council. Such a sign would be appropriate today outside the Central Bank or the Russian Supreme Soviet.

No particular evidence is required to demonstrate the patent truth that people are most worried about prices and, specifically, price growth—that is, inflation. A fall in inflation will be felt by everyone. You cannot eat for dinner the fetish of production for production's sake or unreliable figures about production or purchase volumes.

It is all the more strange that many forces—from parliament and the PRAVDA Editorial Office to directors and academicians—are neither willing nor able to grasp this. We are seeing a repetition of the situation at the beginning of the New Economic Policy [of the 1920's], when the People's Commissariat for Finance was accused of being "enthusiastically opposed to the printing of money" and of destroying industry. Then as now the "Red economic managers" tried to persuade people that the crisis was caused by a shortage rather than a surplus of money, by a shortage of circulating capital, and by insufficient attention to investment. Then as now there were calls for people to fight the "dictatorship" of the People's Commissariat for Finance.

It has to be said that the Bolsheviks had enough wisdom to ensure that the country got stable money that became the basis for economic growth. Unfortunately, very many people learn nothing from history, and financial stabilization is being presented as running counter to the interests of industry and the population—which is either a lie for purely political reasons or a delusion.

Let us leave to one side the politicians who are prepared to destroy the state in order to get rid of a government that is not to their liking. A sincere failure to understand financial stabilization policy is based above all on economic ignorance and a failure to grasp the elementary laws of the market economy.

For instance, take the thesis that if we issue more money we will be helping everyone (science, health care, education, and the Army). This is a typical mistake. Printing money gives nothing to anyone, it takes away from those who have. If the supply of goods remains unchanged, increasing the money supply means just one thing—price growth and the devaluation of money. In raising pensions by printing money, we are taking money away from teachers. In giving the teachers something by printing money again, we are taking something away from the miners, and so on. Printing money (inflation) is the worst kind of tax on enterprises, citizens, and the state. It would be criminal to fail to understand this.

It is not possible for production to develop normally or for living standards to rise at a time of uncontrolled inflation. On the contrary, inflation destroys savings, investment, and long-term lending, produces a flight of capital, and results in technological backwardness and a society sharply divided into a handful of super-rich and an impoverished majority. That is why we are so sharply against the budget ratified by the Russian Supreme Soviet—it is directly aimed at destroying our economy and impoverishing the masses.

G.Ya. Sokolnikov successfully likened the calls to print money so as to fund development to the pleas of a dying man who asks the doctor for morphine to deaden the pain. An injection of morphine can make the death throes easier, but why poison the body if there is some hope of recovery? That would be a profound mistake. We could extend the metaphor—even a healthy organism will be degraded by frequent use of drugs, becoming absolutely hopeless after a certain point. We are already approaching that point.

The widespread thesis of our current "Red economic managers" is that the money printed would be used for production needs and for investment, which would lead to increased demand for goods and ultimately reduce inflation. They claim that inflation can only be fought by boosting production. Once again, this is not the first time that such delusions have appeared. The problem is that the money would be spent immediately, but the production impact would often be achieved years later—if at all.

Financing investment by printing money is dangerously stupid. Because the inflationary impact is almost immediate, but capital investment has a long cycle. Consequently, within a month or two the initial allocation of money would be insufficient and new inflationary infusions of cash would be needed. The more inflationary investment there is, the higher inflation will be and the lower the effectiveness of the investment.

Today every cook and every deputy is trying to tell us how to run financial policy. Every "Red economic manager" tries to discourse on monetarism—although they understand the subject no more than the theory of relativity. Let's forget the theory—50 or 100 years ago monetarism did not exist, but everyone knew how to fight inflation.

We can hear people say almost every day that the deficit is bad, of course, but.... We appreciate the country's difficult economic position, of course, but... All the branches of power should rise above what are important but separate [chastnyy] issues, and get down to safeguarding the interests of the state as a whole. A rising economy and living standards always start with stable money—however much the populists who place short-term political goals ahead of national economic interests and attempt to regulate the market economy using the economic practices of the stagnation era would like to demonstrate the opposite.

The means of fighting inflation are well-known and are essentially independent of the type of economy in question. It is simply that in a planned economy inflation is expressed in the form of a shortage of goods, while in a market economy it takes the form of price rises.

Nobody in the world has yet invented a new approach to replace cutting the budget deficit through reduced spending and increased revenue (including through taxation), and tightening up monetary and credit policy (primarily by raising interest rates).

These simple methods are often very painful, but they are of fundamental importance. And the experience of dozens of states shows that the faster financial stabilization is implemented, the faster the economy and the population will get back on their feet. We have been making a mockery of the country for eight years now instead of getting normal money witnin the space of a year.

Under current conditions, calling for a halving of taxation, for instance, without a cut in spending is tantamount to calling for an increase in monetary emission. Superficially this is a very popular slogan, but in actual fact financing the deficit by printing money would mean redistributing existing monetary resources from everyone to a small number of people—which would not save the economy and would increase social division still further. All this is not so much ridiculous as dangerous.

We still have a chance to go forward toward a normal economy and normal living standards. The disease must be cured rather than allowed to run its course. If not, the patient will ultimately die.

Lobov Cited on Balanced Budget, Investment

PM1509155993 Moscow ROSSIYSKAYA GAZETA in Russian 15 Sep 93 First Edition p 4

[Article from the POSTFACTUM, INTERFAX, RIA NOVOSTI column: "Feelings About the Budget"]

[Text] According to First Vice Premier Oleg Lobov, the Russian Ministry of the Economy will be striving for a "balanced" budget. All the difficulties with this stem from the difficulties in the production sphere.

Lobov believes that it is necessary to "reconcile the struggle for a balanced budget and the struggle for increased investment." "The problem is that it is now advantageous to lend money where profits will be made fastest—and that is by no means production. The government had a chance to increase the revenue side of the budget through sales of real estate. But real estate did not become a commodity."

Answering a question about which budget the government would execute—the Finance Ministry's or the Supreme Soviet's—Lobov stated that the version signed by the president is the law for the Russian Federation Government.

Industrial Council Gives Soskovets New Clout

MK1509092893 Moscow KOMMERSANT-DAILY in Russian 15 Sep 93 p 1

[Nikolay Podlipskiy report: "Regulation on Industrial Council Approved. Industrial Wing Takes Shape in Council of Ministers"]

[Text] Russia's industrial establishment has succeeded in having the legal status of its representative body in the government formalized—yesterday the regulation "On the Council for Industrial Policy of the Council of Ministers," signed by Viktor Chernomyrdin, was released for official distribution. Thus, it can be stated with assurance that an "industrial" wing, to be headed by the second most important man in the Chernomyrdin government—First Deputy Prime Minister Oleg Soskovets—has finally taken shape within the cabinet. This event is all the more significant because Oleg Soskovets' actions have increasingly been determined by political factors, and he could play a decisive role in choosing the Russian government's economic strategy.

The Council for Industrial Policy of the Council of Ministers was set up last fall. Its initial expediency, however (Yegor Gaydar made a decision to create it on the eve of the Congress of People's Deputies, which decided the fate of his government), did not allow the Council to influence the cabinet's decisions even formally. The first months of Viktor Chernomyrdin's tenure did not bring any drastic change in this body's role, either. Change began only after the Council's supervision was taken from First Deputy Prime Minister Vladimir Shumeyko and handed over to another first deputy—Oleg Soskovets. Almost immediately after his appointment, Oleg Soskovets signed a directive calling for working out principles for setting up financial-industrial groups in Russia, and in early September an expanded Council meeting approved the fundamentals of industrial policy.

Thus, for the first time in the past two years Russia's industrial establishment obtained very efficient leverage to influence the government's decision making process. A distinctive feature of the Gaydar government was that it saw industrialists primarily as its intransigent opponents, and contacts between Old Square [the government seat] and the directors were reduced to the latter's pressing for budget subsidies or tax breaks. This relationship remained more or less unchanged under Viktor Chernomyrdin as well, but now a "critical mass" has accumulated that in the very near future could bring about an explosive increase in the clout of the military-industrial sector and the manufacturing industry in general. This is attributable, above all, to the support given to the industrialists by the most influential deputy prime minister—Oleg Soskovets.

In addition, the split in the government has created favorable prerequisites for an even greater increase in Oleg Soskovets' influence. So, for instance, the lively discussion between Oleg Lobov and Anatoliy Chubays may well fail to produce any practical results. Then it will be Soskovets who will have the final say in choosing a denationalization model, and he is more attracted by the ideas of restoring the manageability of state-owned property and erecting financial and administrative hurdles on the path of mass privatization of state property. Thus, it is an increasingly likely prospect that another center of power will be formed inside the cabinet, the main objective of which will be restoring the priority of industrial stabilization to the detriment of financial stabilization.

Central Bank Fails To Account for R2-3 Trillion

PM1509124993 Moscow IZVESTIYA in Russian 14 Sep 93 First Edition p 1

[Report by Andrey Beselov, economist: "Central Bank Has Found Around 3 Trillion, But So Far Is Keeping Quiet About It"]

[Text] An amazing picture sometimes results when figures known to everyone or compiled for official use are gathered together....

According to the Central Bank's official statistics, as of the beginning of the monetary reform on 24 July 1993 there were 3.9 trillion rubles [R] of the old denominations in total circulation (Russia plus the former Union republics and other foreign countries, taken together). This sum was made up of R1.7 trillion issued in Russia before January 1993 (since January only the new bank notes have been issued in Russia) and R2.2 trillion issued outside Russia.

In January 1993 the Central Bank began to withdraw denominations of the old types from circulation. Chairman of the Central Bank V. Geraschenko informed the Supreme Soviet in a letter that by 1 July 1993 the total sum withdrawn had reached R3.1 trillion. The process of withdrawing bank notes was presumably not halted in the period 1 through 24 July. If the withdrawal proceeded at the previous rate (in actual fact, it is obvious that it grew, since the forthcoming "soft" version of the money exchange had already been announced), in the first three weeks of July not less than R600 billion went out of circulation.

Evidently A. Khandruyev, deputy chairman of the Central Bank, was relying on similar calculations when assuring journalists directly after the reform had been announced that only R247 billion—well, R250 billion at the most—remained in circulation in Russia in the old bank notes. True, by this reckoning no money was left for the former Union republics.

However, the real detective story began during the exchange. In the first two days alone almost R0.5 trillion in old notes were withdrawn from circulation. This forced the Central Bank's leaders to reject the initial version of 250 billion. As the amount of money exchanged increased every day by more and more billions, so there appeared ever newer revised estimates of the sum of the old bank notes in monetary circulation in Russia. Addressing a Council of Ministers session 6 August, Gerashchenko was already confidently speaking of R1 trillion. Several hours later that same day, but this time in the Supreme Soviet, he was no less confidently citing a new figure—R1.1 trillion.

At the same time the process of "touching up" the initial bank balance began. Whereas, according to the bank's "official" figures, there were roughly R6 trillion in cash in Russia when the monetary reform began, on 6 August V. Gerashchenko "corrects" that figure by "some" R600 billion and speaks now of R6.6 trillion.

So how much money in all, including money of the old type, was really in monetary circulation? A far from rhetorical question. Of course, in reporting the results of the monetary reform to parliament, Gerashchenko may give a completely new figure. But what lifespan the country's chief banker will allot to it—a few hours or a few days—is unknown.

But what we do know for certain is the amount of bank notes of the old type withdrawn from circulation as of 20 August 1993. It was R1.4 trillion. This figure may possibly grow a little more. But, be that as it may, overall in the first eight months of 1993 not less than R5 trillion of the old denominations were withdrawn from circulation by the Central Bank of Russia, according to the bank's own figures.

However, this is not all. The former Union republics have not yet given up using the old bank notes, and some—for example, Armenia and Kazakhstan—are even experiencing a powerful influx of them. How much money remains there?

If Khandruyev is right in putting the sum of denominations in Russia on the eve of the exchange at R250 billion, then of the R2.2 trillion rubles circulating in the ruble zone on the eve of the reform, R1.2 trillion "flowed into" Russia during the exchange, and, consequently, roughly R1 trillion remained outside Russia. But if Geraschenko's estimate (R1.1 trillion in old money in Russia) is correct, then R300 billion "flowed into" Russia and R1.9 trillion remained in the ruble zone. Of course, differences of "some" 1 trillion in the estimates of the chairman of the Central Bank and his deputy are not devoid of a certain spice. But even that is not the point. It follows that the aggregate amount of old bank notes in monetary circulation in Russia and the former Union republics when the reform began was between R6 trillion and R7 trillion. Although, obviously, it cannot be ruled out that, given the exchange that is bound to be implemented sooner or later in the republics of the ruble zone, there were even more.

But if even these figures are compared with the "official" ones on the Central Bank's balance sheets, a mere "bagatelle" is discovered—either 2 or 3 "extra" trillion rubles in cash nowhere accounted for. Moreover, these are all normal rubles, not counterfeit ones, printed by the Main Administration for the Production of State Bank Notes, Coins, and Medals and issued by the Central Bank. But if this money has been suddenly "found," at some time it was also "lost." When was it issued? To whom was it given and in what quantity, and for what purpose was it used? It is somehow actually awkward to mention—trillions of rubles are not exactly a needle in a haystack, after all. But the Central Bank is keeping a stubborn silence. Well, that's understandable. After all, at best this is "simply" carelessness to the tune of trillions. Although, even a schoolboy understands that

such things do not really happen. After all, they are not [questionable] "Chechen advice notes"—they are Central Bank cash. And then, one would like very much to know: What measures were financed by the Central Bank with this money?

Ruble Weakens Against Dollar, German Mark

PM1509112393 Moscow IZVESTIYA in Russian 14 Sep 93 First Edition p 1

[BIZNES-TASS report: "Dollar Exchange Rate Rises Through 1,000-Ruble Mark"]

[Text] The exchange rate of the U.S. dollar in trading on the Moscow Interbank Currency Exchange stood at 1,006 rubles [R] on 13 September. This is a full R9 more than in the last trading.

The quoted price of the German mark has also risen. Its exchange rate stood at R635 (on 10 September it was equal to R625).

Media Issues

Chernomyrdin Reportedly Blocks Poltoranin Appointment

MK1509114093 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 38, 19 Sep 93 (Signed to Press 14 Sep) p A5

[V. L. commentary under "Power" rubric: "The Chair of Discord—the Still Vacant Post of Press and Information Minister Can Become One. The President's and the Prime Minister's Opinions Do Not Seem To Coincide"]

[Text] The hectic lawmaking activity by the Supreme Soviet's Committee on the Mass Media, which in fact has long become a propaganda department under the National Salvation Front, is taking place against the backdrop of the complete loss of those who were responsible for the mass media in the government.

Just a few weeks ago, on 12 August, Press Minister Mikhail Fedotov and the man overseeing him, First Vice Premier Vladimir Shumeyko, were sitting shoulder to shoulder at a conference in the Russian Press House, and a month later neither of them is in office. Shumeyko has been temporarily suspended, and Fedotov has resigned. He explained away his departure by the intrigues on the part of the Supreme Soviet, although apparently he was far more hurt by the intrigues of some other people much closer to Yeltsin than to Khasbulatov.

The ministerial post is vacant and at the same time it has long been occupied, as it were. It seems that no matter who has sat in the minister's chair, Mikhail Poltoranin still provides the main press services to the president.

He has been and remains one of the very few who receives an audience with the president out of turn. It is being said in every quarter that an edict on his "reanimation" as press minister has already been signed. A curious incident is told that one of the cities has received a fax of this edict.

One can only guess as to why there has been no edict so far. Poltoranin himself asserted that he does not want this post (after all, the change will be purely formal since Mikhail Nikiforovich has not moved anywhere from the minister's office in Strastnoy Boulevard). Many are convinced that the edict is being delayed until the prosecutor's office has established whether Poltoranin is guilty in the case of the Science and Technology House in Berlin. And finally, there is a third reason barring Mikhail Nikiforovich from the chair. It appears to me to be the most serious one—Chernomyrdin. They say that he does not consider Poltoranin either a possible vice premier or minister of the press. It is hard to tell what the main reason for this reluctance is: Personal relationships? Concern about the government's reputation? The unwillingness to have Yeltsin's man next to himself? Be that as it may, according to some reliable rumors, the list of candidates lying on the premier's desk is totally different, while the edict on Mikhail Nikiforovich's appointment lacks just one endorsement—the prime minister's.

At the same time, it is not a rumor at all that when he was still in office Poltoranin laid his hand on the distribution of subsidies. And this is the very tap, the sole one that can cut off or increase the flow of oxygen to dying papers or magazines. In this respect the tactics regarding "close" papers and "close" CIS countries are very similar.

...The unfilled post of the press and information minister is a bad symptom. For the sake of the Yeltsin-Chernomyrdin alliance, someone has to give way. This concession should probably not be discussed in public. We have already seen cadre selection based on cronyism. Perhaps now it will proceed along the lines of professionalism?

Motives Behind New TV Channel Assessed

MK1509125593 Moscow KURANTY in Russian 15 Sep 93 p 4

[Yevgeniy Ben report under the "Hot Subject" rubric: "Result of 'Results'?"]

[Text] Yevgeniy Kiselev, anchorman of the "Itogi" [Results] television news program, said in closing the 12 September program that this telecast, renamed "Novyye Itogi" [New Results], along with the Ostankino television channel's "Segodnya" [Today] evening news, would soon move to a new television channel (NTV) that is about to take off.

According to Yevgeniy Kiselev, aside from him, the entire team of the "Results," as well as Mikhail Osokin and Tatyana Mitkova, will leave for NTV. Kiselev made it clear to millions of television viewers that he conveyed

this information because rumors were already circulating about these changes. These rumors happened to be well founded. As for the rumors, I heard of them for the first time. However, I happened to observe some fairly unexpected innovations in the "Results" anchorman's comments in the past six weeks or so.

After yet another congress of the National Salvation Front [NSF], which was held in late July, Kiselev, who was formerly harshly critical of the activity of "the saviors of the Fatherland," this time merely stated that the NSF was increasing its strength and clout while the approval rating of the president and the government had continuously fallen after the April referendum. It will be remarked that in previous issues of "Results," the president's and government's rating was steadily rising.

The latest issue of "Results" appears to have devoted "oddly" much space to the emergence of the "Accord" bloc headed by Yuriy Skokov and made up of second-class politicians. The bloc sees its objective in bringing about a reconciliation between the two branches of power, and given the current situation, this objective actually appears to be somewhat quixotic, but at the same time it gives politicians who have been left on the sidelines another chance to make their presence felt.

No less surprising for the majority of television viewers was the 12 September simultaneous appearance—from the ranks of famous political scientists and law students commenting on the current political battles—of two SEGODNYA journalists: deputy editor in chief Mikhail Leontyev and Pavel Felgengauer, an observer. Within six months of its existence, the newspaper has won over several thousand subscribers, but it makes no bones about its large-scale financial capabilities. Is it a coincidence that NTV news, according to Kiselev, will be called "Segodnya?"

Yevgeniy Kiselev pointed out in the last "Results" program that state television was a tight squeeze for him and his team and that he wanted to be completely independent but added in the same breath: new NTV programs would be financed by commercial banks that are interested in "the stable political situation in Russia." As a matter of fact, NTV will be headed by Igor Malashenko, former deputy chairman of Ostankino. What will be ordered by the new owners of "Results" may be anybody's guess, but still something may be inferred. For the truth—he who pays the piper calls the tune—is still valid. But what does independence have to do with it?

Poll Demonstrates Opposition to 'Oversight Councils'

MK1509131593 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 38, 19 Sep 93 (Signed to Press 14 Sep) p C13

[Konstantin Lomov report: "Seeking Advice From People"]

[Text] Vsevolod Vilchek's public opinion studies service conducted a poll among Muscovites: What do they think about the oversight councils that are being introduced by the Supreme Soviet and how should television journalists react to this?

They were offered the following answers:

1. They should comply with and implement the Supreme Soviet's decision. A total of 8 percent of those polled agreed with this statement.

2.They should file a lawsuit with the Constitutional Court requesting that this decision be revoked—21 percent.

3. They should turn to the public for support—20 percent.

4. They should continue to work as before without paying attention to the Supreme Soviet's decision—38 percent.

5. They should call a strike and stay out of work until the Supreme Soviet's decision is revoked—9 percent.

The results are more than unequivocal. People are opposed to both the Supreme Soviet's innovations and a strike by television staffers.

A popular method to protest the idiocy of bosses is to ignore it. If this poll has any authority, this is precisely what television viewers recommend all state-owned television companies do.

News Service Delivers Information Via TV

LD1509194693 Moscow ITAR-TASS in English 1747 GMT 15 Sep 93

[By ITAR-TASS correspondent Tamara Ivanova]

[Text] Moscow September 15 TASS—The newspaper "OBSHCHAYA GAZETA" is the first in Moscow to subscribe to a new news service—TV-INFORM-ITAR-TASS—which supplies information to its clients via a television channel.

To put it in a nutshell, the system uses a special receiving device which enables the subscriber to "sift" everything transmitted on a television channel and "fish out" news coming from the ITAR- TASS news agency. An aerial and a receiving device is enough to get "the catch" onto a printer on a pc display screen.

Of course, this does not mean texts read out by tv announcers. Most tv-viewers have no idea that while they are watching the picture, ITAR-TASS news reports are transmitted in an encoded form at the same time to newspapers in many Russian cities, including Lipetsk and Oryol in central and Arkhangelsk in northern Russia.

The new system can deliver ITAR-TASS news to every place across Russia and the Commonwealth where the

first channel of the Ostankino television company is received. It can be used to beam the texts of government documents to various regions of the Russion Federation.

The system can distribute information to target addresses and has many other advantages, the main among which is that it is much cheaper than the lease of telegraph wires. In far-away regions, where no telegraph wires can be leased, the system is the only way to transmit information without delay.

Tests of the TV-INFORM-ITAR-TASS system proved its high reliability.

New Independent News Agency Opens in Moscow

LD1609105493 Moscow ITAR-TASS in English 0941 GMT 16 Sep 93

[By ITAR-TASS correspondent]

[Text] Moscow September 16 TASS—A new international independent news agency, ANCOM-TASS (Analysis-Commentary) held a presentation in the building of ITAR-TASS on Tverskoy Boulevard in Moscow on Wednesday [15 September]. Famous Russian publicists, political scientists, economists, Foreign Ministry officials, directors of large banks, the "Ingosstrakh" insurance agency and firms, ambassadors and press attaches attended.

ITAR-TASS Director Vitaliy Ignatenko welcoming the guests, noted that the main task of the new agency is to offer prompt analyses of the most important events in Russia, Commonwealth countries and overseas, as well as social, economic and political forecasts.

ANCOM-TASS offers exclusive analytical information including confidential news letters about home and international problems to Russian and foreign consumers. Information is available in Russian and major European languages.

ANCOM-TASS may be reached at: Tel. (095) 202-78-60, fax (095) 202-92-85, telex 411186.

Supreme Soviet

Khasbulatov Calls For Creation of Economic Union

LD1409144093 Moscow ITAR-TASS in English 1357 GMT 14 Sep 93

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Pushchino (Moscow region) September 14 TASS—Russian Parliament Speaker Ruslan Khasbulatov, who is also chairman of the CIS Interparliamentary Assembly, proposed to hold elections to the interstate parliament in all Commonwealth countries. "Thus, the unified parliament could form a common government of the Commonwealth", he told scientists at a scientific center in Pushchino on Tuesday.

The Russian speaker criticized the government and the finance minister, in particular, for forcing the Russian regions to refrain from paying federal taxes. Thirty-four subjects of the Federation refused to pay federal taxes, according to Khasbulatov, who explained that they made their decision based on the intolerable taxes. He added that Finance Minister Boris Fedorov plans to introduce new taxes and said that the parliament opposes them and wants to cut the existing taxes by half.

The parliament chairman welcomed the idea to create an economic union of the former Soviet republics according to the former Comecon [Council for Mutual Economic Assistance] structure. "The idea of an economic union finally becomes a reality", he said.

Reviews Election Problems

LD1609000393 Moscow Russian Television Network in Russian 1445 GMT 15 Sep 93

[Remarks by Supreme Soviet Chairman Ruslan Khasbulatov at the Pushchino scientific facility in the Moscow region on 14 September; from the "Parliamentary Hour" program—recorded]

[Text] I would not now peddle the problem of elections. I have here in mind the elections both of the president and the people's deputies. I would not peddle this for the simple reason—well you surely understand that I am not among those leaders of the country who have a poor knowledge of the situation in the regions. I am sufficiently familiar with the situation in the regions. It is very alarming.

I am especially frightened by the criminalization—I literally mean criminalization—of our economic, political, and social life. This whole bubble that has now burst, revealing corruption among the highest officials is not the most terrible of illnesses, I assure you. It is, as it were, a side effect of the dangerous peril that is forcibly making itself felt in our country. A process of rapid criminalization is under way, starting at the level of the rural soviet and continuing up through levels of government, through the village, rayon, town, oblast, kray, and republic.

In conditions such as these, those who are now trying to organize elections for us simply fail to see the real picture. Most fail to see it. Others, however, see the picture only too well. That is why...[pauses] well, what is it they are trying to achieve?

I am not talking of the executive branch; it is unethical for me to do so, and I will not peddle this issue. From the legislative viewpoint, however, well, take a look: It is said to us that we must put an end to dyarchy. I just laugh in reply and I say: Why dyarchy? We have triarchy; that is correct. After all, we speak of the division of powers, do we not? We have all dreamed of democracy, the division of powers, Montesquieu, and social accord. Well, we now have a division of powers in the legislative,

executive, and judicial branches, so why speak of dyarchy? We have triarchy, and there is nothing wrong with that.

Now let us see how they discharge their powers. Let us, again, take the legislative branch. You will say: No, they are not doing too well. I agree with you, but is the legislative authority fulfilling its functions? Yes, it is. Yes, it is. What about the judiciary? Are they carrying out their functions? You will say they are doing so badly, but are they carrying them out? Yes, they are carrying them out.

The executive authority—is it fulfilling its functions? Absolutely not. Any way you look at it, you see that they are not carrying them out, and that is that. I have given you examples. We have a constitutional, a political crisis. Whatever crisis you want is to be found right here within the purview of the executive authorities.

Again, I am not calling for having them overthrown. There is this single proposal, and it is what the public demands—a government of national consensus. We must carry out relevant changes. It seems to me that such changes will be the least painful for society and the state organism as a whole. No one will be the loser; instead, everyone will gain from that—everyone. So, that is my attitude to the problem of elections.

This does not, however, mean that we should not be preparing ourselves for the elections. We all know that it is rather a complicated task to forecast how life will develop here. Am I right? That is why we are preparing ourselves for possible elections. We are preparing the relevant electoral mechanisms, laws, and necessary constitutional supplements; we are working out a new draft of the Constitution. Apart from that, we are also making the relevant constitutional laws that will make it possible for us to face the elections, should this be necessary.

Here, however, a question arises that is, of course, difficult to resolve. What are the elections for? We presently have a two-tier parliament. Incidentally, it is not to anyone's liking. Frankly, however, we have inherited it. Neither Khasbulatov nor Yeltsin made it. What we were objectively able to change we did change, but we are unable to change a two-tier parliament without dissolving it in a revolutionary manner, but if it is dissolved? Well, the Union Congress dissolved itself and what happened?

So, this precarious balance is now underpinned by this precarious authority wielded by the Congress-Supreme Soviet axis. Some may agree, and some may not, but, unfortunately, it is precisely here that stability is concentrated. All in all, all-round analysis shows that this system is still seen as one that holds the state's unity and integrity together.

That is why the future electoral law must, without fail, delineate with precision the parameters of the future parliament. This, then, is the Achilles' heel of any elections, a possible stumbling block. That is why, of course, we must arrive at an understanding of the need for a future parliament by consensus, not by imposing it from above and by proposing artificial institutions like the Constituent Assembly or Soviet of the Federation. We must proceed along a lawful and constitutional path, having precisely determined the parameters of the future parliament.

Chernomyrdin Reluctant To Address Supreme Soviet

MK1609074893 Moscow NEZAVISIMAYA GAZETA in Russian 16 Sep 93 p 1

[NG report under the "In Brief" column: "Prime Minister Does Not Want To Take Part in Debate"]

[Text] Tomorrow, 17 September, the Supreme Soviet is expecting Viktor Chernomyrdin to come. Last Friday he was invited to deliver a report on the situation of the national economy after yet another rise in energy prices. The Supreme Soviet, to all appearances, would not miss an opportunity to criticize the government. Therefore, according to some reports, the prime minister is doing his utmost to keep away from the parliamentary rostrum. Moreover, he is intent on sending First Deputy Prime Minister Oleg Lobov to the Supreme Soviet in his place. According to reports from confidential sources, Council of the Republic Chairman Veniamin Sokolov, who requested that Viktor Chernomyrdin be summoned, would like to use the arrival of the head of the cabinet to deliver his co-report on a new concept of Russian economic policy.

Deputies Express 'Anger' Toward Ryabov

PM1409110793 Moscow KOMSOMOLSKAYA PRAVDA in Russian 11 Sep 93 p 1

[Report by Andrey Podkopalov: "Speaker Has Found His Own Rutskoy"]

[Text] The "splittist," Deputy Chairman N. Ryabov, was again a stranger among his own people at yesterday's session of the Supreme Soviet chambers. This time the stormy anger of the people's deputies was generated by the appointment of Nikolay Timofeyevich as leader of the Constitutional Commission working group formed by a directive of B. Yeltsin.

The nature of the debate of N. Ryabov's report, hurriedly put on the agenda, can be judged by the following statements by the people's representatives:

V. Sevastyanov: "...I cannot understand what he is doing in the Supreme Soviet..."

Deputy from the microphone: "The man is not concerned about creating structures parallel to the president's power but he is very concerned about creating structures parallel to the Supreme Soviet."

R. Khasbulatov: "Ryabov is appointed without our consent, without my consent, for some incomprehensible purposes, for what are in practice subversive aims... In general he should be allowed to go on his own without waiting for a decision to be made here."

N. Ryabov in turn, in a talk with your correspondent, was unable to conceal his anger at the deputies' behavior:

"Well, what's the fuss all about? The president, as chairman of the Constitutional Commission, instructed the working group of representatives of that commission and myself, its deputy chairman, to assess the draft prepared by the Constitutional Conference. Does he not have the right to do so? And I, by heading the working group, how did I violate the 20 July decision of the Supreme Soviet itself, signed, incidentally, by Khasbulatov, on work on the draft constitution? The president wants to know our opinion of the possible mechanism for coordinating the two drafts—where is the act of subversion against the president here?"

The thrust of the conflict is simple—the president has yet again forestalled parliament. B. Yeltsin knew that the 10 September session would examine Oleg Rumyantsev's proposal for holding consultations with the president on questions of constitutional reform. Without waiting for the Supreme Soviet decision the president himself created an appropriate group headed by N. Ryabov. What played the largest part in this decision—the desire to retain the initiative or reluctance to sit at the same table as R. Khasbulatov—remains the question.

Parliament, as expected, yesterday decided to hold consultations with the president on the problem of the Constitution over the course of September. The parliamentary delegation will be headed by R. Khasbulatov. But will the president agree to this?

Court Action Threatened Against IZVESTIYA

LD1409155793 Moscow ITAR-TASS World Service in Russian 1025 GMT 14 Sep 93

[by ITAR-TASS parliamentiary correspondent Ivan Novikov]

[Text] Moscow, 14 Sep—The Committee for Mass Information Media of the Russian Parliament intends to bring an action in court in connection with material published in IZVESTIYA. This was stated by Vladimir Lisin, the committee's chairman, at a briefing which he gave today in the House of Soviets.

Vladimir Lisin described as a "forged document" material printed in the paper on 1 September entitled "The parliamentary media committee patronizes the newspapers PRAVDA, SOVETSKAYA ROSSIYA, and DEN."

We recall that the substance of this material was that the media committee had asked the Ministry of Press and Information to resolve the question of a subsidy to these and a number of other newspapers for the third quarter of 1993. The chairman of the committee rejected the fact of the existence of the document to which the newspaper had referred. "It had not even been thought of, let alone drafted," he said.

In a statement to the press, distributed to journalists, Vladimir Lisin emphasized that IZVESTIYA had violated a number of provisions of the existing legislation of the Russian Federation and "should bear responsibility for this in the established manner." The committee chairman added that the publication of this material is being studied by lawyers of the House of Soviets, "and as soon as the question has been studied the case will take its legal course."

Regional Affairs

Five Ural Regions To Form Republic

LD1609105793 Moscow ITAR-TASS in English 1020 GMT 16 Sep 93

[By ITAR-TASS correspondent Nadezhda Potapova]

[Text] Yekaterinburg September 16 TASS—Leaders of both the executive and legislative authorities of five neighbouring Ural regions declared Thursday they are ready to unite into the Ural Republic which will remain within Russia.

The leaders of Orenburg, Kurgan, Perm, Sverdlovsk and Chelyabinsk regions said in a statement that they had arrived to the decision after "an analysis of the process of federal relations" and were also guided by the "historical traditions and experience of their cooperaton".

The Ural Republic will not secede from Russia, but on the contrary "will promote its strengthening as well as the efficient development of production forces in the Urals", according to the statement.

The leaders of the regions instructed a group of experts to work out the necessary draft legal acts.

Petersburg Threatens To Stop Paying Taxes

PM1509132393 Moscow KRASNAYA ZVEZDA in Russian 14 Sep 93 p 3

[Sergey Voyeykov report under the "Reports and Commentaries" rubric: "Passions Have Flared Up Between Leningrad Oblast Soviet Deputies and Russian Government Over 9 Billion Rubles"]

[Excerpts] Litigation has been under way between Leningrad Oblast and the Russian Government for a month now. Back in the first third of August, the Leningrad Oblast Soviet issued an "ultimatum" to the center: Either the government carries out all its directives in support of the oblast agro-industrial complex and transfers money on time, or the question of stopping payment

of taxes to the Russian budget and the oblast's acquiring the status of republic will arise. [passage omitted]

At the last Inner Soviet session, deputies reported that, at the scheduled meeting between the leaders of the Ministry of Finance and representatives of the Leningrad Oblast Soviet and administration, a promise to clear the arrears was made by the government and a payment order for the transfer of 5 billion rubles [R] was even prepared by the Finance Ministry. The remaining R4 billion will be remitted by the end of September.

By all accounts, the deputies are not inclined to place undue trust in federal structures. Therefore, the government has been warned that unless the overdue billions are transferred to the oblast budget by 15 September, the oblast will, despite the oblast prosecutor's protests, stop the remittance of taxes.

Three Arrested for Attempting To Sell Uranium

PM1509145993 Moscow KOMSOMOLSKAYA PRAVDA in Russian 14 Sep 93 p 3

[INTERFAX report: "Isotopes Taken Away in Bundles"]

[Text] At a market in Izhevsk, Internal Affairs Ministry staffers arrested three men who were attempting to obtain a high price a bundle of metal bars weighing a total of 140 kg. Upon inspection of the bars, it was discovered that they were made of uranium with a 0.2-0.4 percent content of the uranium-235 fissionable isotope. Those arrested included a staffer from the Chipetskiy mechanical plant in Glazov city (Udmurtia). The Russian Federal Inspectorate for Nuclear and Radiation Safety reported that the Chipetskiy mechanical plant is one of the enterprises of the nuclear fuel cycle. Following the incident, a check on uranium stocks was carried out there. A shortage of approximately 300 kg of depleted uranium was discovered. This metal, according to IAEA classification, belongs to the fissionable materials category and is of interest to the defense industry. Taking this into consideration and also considering that this incident is not the first case of the theft of uranium at the Chipetskiy mechanical plant, a special commission has been created which will arrive in Glazov next week to investigate the reasons for the leaks of strategic raw material.

Progress, Problems in Forming Kuzbass Economic Zone

PM1609084393 Moscow IZVESTIYA in Russian 11 Sep 93 First Edition p 2

[Interview with People's Deputy Mikhail Kislyuk, head of Kemerovo Oblast Administration, by Viktor Kostyukovskiy; place and date not given: "What Is Preventing the Kuzbass From Becoming a Really Free Economic Zone"]

[Text] [Kostyukovskiy] For years now work has been under way to create a free economic zone in the Kuzbass. I would say, however, that the matter is proceeding with variable success, despite the president's edicts and the government's decrees. Is much actually being done?

[Kislyuk] We have "squeezed" practically everything out of the possibilities afforded by the documents you have mentioned, although even this was not easy because, in addition to these documents, there have been others which contradicted them and made it almost impossible to implement them. Nevertheless, a good foundation has been laid for the creation of a free zone. The Kuzbass now has quite a ramified and developed exchange and banking system. Many joint ventures have been created, although they too are working with variable success. It is an important fact that the joint ventures include many ventures in the production sphere, not just trading and brokerage ventures. These include ones engaged in the chief business of the Kuzbass—coal extraction. Some very important projects aimed at creating and developing a free enterprise zone, including purely social projects, are already being implemented in practice. Here is an example of a quite simple kind: A unique, excellently built and equipped hospital complex has just been opened on Miners' Dayin Leninsk-Kuznetskiy on. It was constructed by the Croatian firm of Ingra. Kemerovo Airport is being modernized, and will become an international airport. A very large-scale project in conjunction with the well known Italian firm of Fata is also at the implementation stage. I should tell you about this separately in detail. The Kuzbass was the first region in the former USSR to secure EC aid. Within the framework of this aid, the consulting firm of Sema Group [name as transliterated] is already working on a project to assist Kemerovo Oblast in the switch to a market economy. All these projects are either being fulfilled thanks to foreign trade operations—put more simply, exports of coal, metal, chemical fertilizers, etc.—or are accompanied by the allocation of foreign credits.

[Kostyukovskiy] Nevertheless, one hears Kuzbass residents' harsh words to the effect that the zone exists only in projects and dreams. What is slowing up the process of creating it?

[Kislyuk] You know, quite frankly, I rejoice on hearing these harsh words. Two years ago I and other champions of a free economic zone—above all, the leaders of the miners' movement—were being sworn at just for mentioning it, for the very idea. But now we are being criticized for the inadequate pace of implementing it. This indicates that we are succeeding, maybe, in the chief thing: A change is occurring in people's economic awareness, and maybe it has already happened with the majority.

The lack of a law on the free zone is the chief brake on forming and developing it. Although a draft has been around a long time and was drawn up on the initiative of and with the very active involvement of the Kuzbass administration, for a year now it has been lying in the

Supreme Soviet and has not been examined. Without such a law we cannot, for example, form the zone's enclaves organizationally, juridically, and financially. For example, the creation of the following enclave is being projected: the international airport will also incorporate a fast highway leading to it and a high-class hotel complex. Or another example of an enclave—Gornaya Shoriya, a fairy tale region with magnificent, but as yet unrealized potential, for international tourism. It would be extremely useful to include another airport—Novokuznetsk Airport—in it. Nor is it easy to create a single organ to manage the zone, although we are nonetheless negotiating all the obstacles and are now trying to do this.

Moscow National Salvation Front Holds Conference

PM1609084193 Moscow SOVETSKAYA ROSSIYA in Russian 14 Sep 93 p 2

[Sergey Turchenko report: "Stop the Coup"]

[Text] This was the appeal which the city conference of the Moscow National Salvation Front, which took place 11 September, made to all the country's patriotic forces. The more than 300 delegates who participated in the conference discussed tactics for the fall and winter offensive against the crumbling regime as well as for resolving several organizational questions.

Lieutenant Colonel Stanislav Terekhov, who is also chairman of the Officers' Union, was elected chairman of the Moscow organization of the National Salvation Front. It was he who delivered a report which contained an assessment of the situation and on the tasks for the front's organizations. Resolutions were adopted which determined measures to stop any attempts at carrying out the coup d'etat which is in preparation and to protect the representative organs of power as represented by the soviets at all levels.

The conference supported the public committee's call for the defense of the Constitution and the constitutional system to prepare for a general political strike in the country between mid-October and early November this year.

Military Airfield To Accomodate International Flights

OW1509140993 Vladivostok Radio Vladivostok Network in Russian 0210 GMT 15 Sep 93

[From the "Lunch Hour Break" program]

[Text] A session of the interdepartmental commission of the Maritime Kray Administration adopted a plan for reconstructing Zolotaya Dolina Airfield which is located in the Nakhodka Free Economic Zone. After taking into consideration suggestions by geologists, ecologists, and architects, it was decided to build a dual-purpose airport which would serve both military and civil international aviation. It is planned to use the Zolotaya Dolina Airport mainly to accommodate cargo and passenger flights to Japan, the United States, and possibly Korea. The Khabarovsk Dalaeroproyek Institute is preparing the technical and economic groundwork for building the airport, and international foundations which support privatization and foreign investment are preparing business plans which will serve as guidelines for foreign partners.

International Affairs

Kravchuk Said To Call Russia 'Main Enemy'

PM1609112393 Moscow PRAVDA in Russian
15 Sep 93 pp 1-2

["Own Information" report: "Leonid Kravchuk: 'The Main Enemy Is Russia.' We Await Denial"]

[Text] We have learned from competent sources that an extraordinary joint session of the Defense and Security Council of the All-Ukrainian Congress and the Ukrainian Government Defense and Security Committee was held 7 September. The conference was chaired by Mr. [pan] Leonid Kravchuk. The leaders of practically all state structures of the legislative and executive branches, the Rukh [Ukrainian People's Movement] leadership headed by Chornovil, and the commanders of the Ukrainian People's Self-Defense-Ukrainian National Army, the Organization of Ukrainian Nationalists-Ukrainian Insurgents Army, and the National Guard were present at the conference. Just one issue was examined—Ukraine's position following the meeting between the presidents and the measures that state structures should take to protect Ukraine's strategic interests in the Black Sea region.

Mr. Kravchuk spoke first and attempted to argue the need for establishing closer mutual relations with Russia and a strategy to protect Ukraine's interests "in the struggle against Russia's imperial impulses." On the whole, however, his speech was anti-Russian in tone in the political sphere, the economic sphere, and in the sphere of military doctrine, particularly in relation to nuclear weapons.

Assessing the meeting that took place as "an enforced step by Ukraine toward Russia," Kravchuk noted that "for a whole number of reasons we must now make concessions in the spheres of the economy, military organizational development, and political realities, or, more accurately, supposedly concessions to Russia in the south (Crimea and the Kuban)."

In fact, he said, we should now rally round as never before. No matter where we are, in Ukraine, Russia, or the United States, we are all children of Great Ukraine, which means we should serve Ukraine and only Ukraine, whatever the cost. Questions involving strategic interests in the south will be extremely acute and contradictory not just with Russia, but also with Turkey, Bulgaria, Romania, and Moldova. However, on the basis of the events of 3 September we must make it crystal clear that the main—I stress this—**the main enemy is Russia.** Earlier I read you excerpts from Russian newspapers stating that they see us as their province and nothing more, and therefore we should concentrate on the following areas of our state activity:

1. Political

We should not enter into any agreements or alliances of any type (economic, political, or military) if Russia is in any way a party to them. We must raise the issues intelligently in such a way that, wherever possible, others refrain from embarking on such agreements. To this end our special organs and services should explain to other independent countries the following strategic ideas:

—we should unite against the might of Russia, only then will Russia and its president be brought under our control. Moldova, Georgia, Chechnya, Armenia, Turkmenistan, and Kyrgyzstan have a particular role to play here;

—we must learn how to find the necessary arguments to justify indefinitely delaying the withdrawal of nuclear weapons, i.e. we should act according to the principle: We agree to withdrawal, but withdrawal cannot take place for the following reasons, and there could be all kinds of reasons. If we lose our nuclear weapons, we forfeit the main element in status for Great Ukraine;

—all our state-political structures, particularly the Foreign Ministry, the Ukrainian Security Service, and the Ministry of Defense, must step up their work to exert influence on the Russian president. "We must 'force' him take account of our interests, our interests first and foremost."

Foreign Ministry staffers, particularly those working in Russia, must take a number of measures designed to compromise the Russian Federation's foreign policy, bearing in mind that the popularity of its President B.N. Yeltsin has, "according to our information," immeasurably increased since 3 September; he has started to appear as a resolute supporter of Russian Federation interests. We need to understand why this has become possible.

2. Economic

As a sovereign great state, Ukraine should participate in the work of all structures engaged in preparing various agreements and alliances, but we should choose our own particular position on the issues. As we have already said, we should not be a party to anything the Russian Federation is involved in, this should be our main principle—we are independent in all matters, and everyone should know our firm position.

All our meetings with the Russian leadership should aim to secure all the energy resources that Ukraine needs, despite the fact that we cannot pay for them. You are currently accusing the Ukrainian president of having given away the fleet to Russia, and hence of yet again bolstering Russia's influence in the south, but I only promised to do this, and in return for this promise I received oil, gas, and other economic levers, thanks to which we will find our feet and we can settle up later with "those to whom we are in debt today."

We need to conclude bilateral treaties with Near Eastern, Central Asian, and European countries as soon as possible through our representatives, if only to show Russia that we are independent.

All patriotic commercial structures must elaborate active measures to block any decision by Russia to impose sanctions of any kind.

3. Military

The Ministry of Defense, the National Guard, the Ukrainian Security Service, and the Ministry of Internal Affairs must address the problem of Crimea, Sevastopol, and the Black Sea Fleet in the most decisive manner.

We must at long last get rid of this headache. I order the said departments to do everything in their power to shake Russia's influence in this region. We need to make more active use of the Crimean Tatar movement, and Messrs. Marchuk and Morozov should get to work in this area.

At the end of his speech, Mr. Kravchuk stated: "Everybody thinks that Russia has forced us to agree to concessions and has increased its prestige and influence, but this is really not true. By virtue of our flexible diplomacy and by promising to deliver what Russia is asking for, we have not only obtained what we need for our economy and defense, but most important of all we have gained time, the time to form new economic interests and forces;

"—the time to convince the personnel of the Black Sea Fleet and the population of Crimea that their problems will be compounded and that Russia does not want them;

"—the time to build up our own power structures in regions that interest us and are important to us..."

The speakers at the session approved Kravchuk's remarks and were in favor of elaborating the strategy outlined by the president. The speeches by Messrs. Morozov, Chornovil, Drach, Khmara, Gel, and Yavorivskiy were the most anti-Russian in tone.

Cabinet Warns: No Gas if Debts Not Paid

AU1409132893 Kiev URYADOVYY KURYER in Ukrainian 9 Sep 93 p 1

[Statement by the Press Service of Ukraine's Cabinet of Ministers: "Dictated for This Issue"]

[Text] Ukraine's Cabinet of Ministers sent a telegram to ministries, departments, the Council of Ministers of the Crimean Republic; oblasts, Kiev, and Sevastopol city state administrations; directors of enterprises, regardless of their forms of ownership; and other juridical persons.

The telegram reads that the indebtedness of the enterprises of the State Committee for Oil and Gas to the Russian Gas Industry Committee for the supplied natural gas has not decreased and is presently over 708 billion rubles.

The telegram demands that the payment for the utilized natural gas be made without delay, otherwise its supply to enterprises will be totally stopped without warning on 14 September 1993.

Cabinet Tightens Policy on Debts

MK1509102393 Moscow KOMMERSANT-DAILY in Russian 15 Sep 93 p 3

[Konstantin Smirnov report: "Ukraine Tries To Repay Debt to 'Gazprom.' Ukrainian Government Launches 'Gas' Attack"]

[Text] The Ukrainian Government has decided to switch to a market mechanism in settlements with the country's consumers of Russian gas. A telegram from the Ukrainian Cabinet of Ministers that was made public yesterday says that those who do not pay for Russian gas deliveries within specified periods will be cut off from gas supplies. Thus, despite its desire to retain the system of centralized settlements at least partially, the Ukrainian Government, bowing to financial pressure, had to give up its "patronage" over state enterprises.

The decision by the Ukrainian cabinet was not prompted by the desire to move to a market economy at an accelerated pace but stems from realities characteristic of the national economy and its relations with CIS countries, above all, Russia. The realities are such that the Ukrainian Government, while making endless concessions to parliament and fearing that the opposition may come round to decisive actions, has not moved any farther than talking about deepening economic reform.

As a result, the state sector, which still monopolizes the production of most industrial goods and agricultural produce, continues to orchestrate not only the processes under way in the country's economy, but also political exercises of the government and the parliament. However, in some areas the relationship between the government budget (which has a deficit of over 10 trillion karbovanets) and state enterprises appears to have reached its limits. Evidently, Ukraine's budget is no longer capable of paying for power-consuming production by state enterprises, which account for over 70 percent of Russian gas consumed in Ukraine. (On Saturday [11 September] KOMMERSANT-DAILY already reported on the possible halt in Russian gas deliveries because of non-payments.)

The debt of Ukrainian consumers to the government (or rather to Russia's "Gazprom") exceeds 700 billion rubles. In this situation, the government made the most radical decision of its entire tenure by promising to cut off from Russian gas supplies any enterprise regardless of its form of ownership if it fails to make timely payments for gas. This decision is unlikely to boost the government's popularity among industrial "generals," but it

was prompted by the utterly desperate situation. If the Ukrainian debt continues to grow, Ukraine may be entered in the international register of credit-unworthy states with all the ensuing consequences.

Problems in Building Varyag Aircraft Carrier

LD1509124293 Kiev UKRINFORM in Ukrainian 0649 GMT 15 Sep 93

[By UKRINFORM correspondent Anatoliy Kuznetsov]

[Text] [no dateline as received] If the issue of resuming work to build the Varyag heavy aircraft-carrying cruiser is not settled within the next three to four months, then, in the opinion of the presidential representative in Nikolayev Oblast, Anatoliy Kinakh, the completion of its building will become impossible due to a number of purely technological and technical factors. Interviewed by the newspaper VECHIRNIY MYKOLAYIV [EVENING NIKOLAYEV], he also said that detailed negotiations were under way with the Russian Government to have agreements regarding the ship being prepared by the end of September and ready to be concluded. Completed almost by three fourths, the ship was put into reserve at the Black Sea ship building yard and engineering works.

Anatoliy Kinakh put forward proposals to settle the Varyag issue, the nub of which is as follows: The two states should determine each other's share of ownership of the ship as is at present. The share of Ukraine should then go toward [the repayment of] part of its very debt for petroleum products. An interstate agreement should then be concluded, which declares Russia the client and Ukraine the contractor. In so doing, provision should be made for a coordinating body to be formed, since the completion of building the Varyag will be an extremely difficult task in view of the volume of cooperation and complexity of the aircraft's [as heard] equipment. Financing the work to complete the ship should be undertaken by Russia.

Official Says Ukraine Does Not Need Half of Black Sea Fleet

LD1509141493 Kiev Radio Ukraine World Service in Ukrainian 1200 GMT 15 Sep 93

[Text] To maintain 50 percent of the Black Sea Fleet, this is approximately 240 ships, is not advantageous from the economic point of view, stated Colonel Hryhoriy Omelchenko, deputy head of the Union of Officers of Ukraine. The military expert argues his opinion on the grounds that approximately 70 percent of all the ships have a period of service of 25 to 30 years. In accordance with international regulations of ecological safety, today they do not even have the right to enter foreign ports. Leading specialists believe that it will be enough for Ukraine to have approximately 100-120 ships of various types. In the event of the necessity of selling them, it would be more expedient not sell them to Russia, but to other states, in order to settle the oil debt with Russia using hard currency. Colonel Omelchenko believes that it is worth selling ships to Russia only on condition that they will not be registered in Sevastopol. There is an opinion in the Union of Officers that, both from the geopolitical point of view and in view of Ukraine's international prestige, it is inexpedient to agree to Russian proposals to lease even temporarily the Sevastopol bases and infrastructures.

Creation of Extra Command in Sevastopol Scored

LD1509144993 Moscow KRASNAYA ZVEZDA in Russian 15 Sep 93 p 3

[Vasiliy Fatigarov report: "Kiev Trying to Deprive Black Sea Fleet of Military Transport Communications and Create Another Bone of Contention between Russia and Ukraine"]

[Text] According to a statement by Captain First Rank Vasiliy Gotsulyak, Ukrainian Navy chief of military transport communications who previously held the post of deputy chief of military transport communications in the Black Sea Fleet, the Ukrainian Defense Ministry is going to set up a military transport communications command in Sevastopol.

The question of its formation was raised in connection with the fact that personnel of the Sevastopol port command, created in fall 1941, have refused to take the oath to Ukraine and have remained loyal to the united Black Sea Fleet.

"The formation of this command in the prevailing political situation," Captain First Rank Igor Dolotov, commander of the Black Sea Fleet port and the Sevastopol station, "will have an extremely adverse effect on questions of traffic in the interests of the Russian Defense Ministry, especially passenger traffic."

However, the Black Sea Fleet Military Transport Communications service is already encountering great difficulties in the support and organization of military passenger traffic through the fault of the Ukrainian Military Transport Directorate and Navy. For example, for over two years the Black Sea Fleet Military Transport Communications command has been banned from planning and dispatching military teams without Kiev's permission and, furthermore, this is a long process which passes through many levels in the chain of command. As a result, dispatches are delayed and often disrupted. There is a real threat that Black Sea Fleet Military Transport Communications organs will be prevented from carrying out all types of military shipments in the interests of the Russian Federation Defense Ministry and that the allocated quota of seats in all forms of transport will be removed.

"I have heard such threats a number of times from Capt First Rank Gotsulyak," Igor Dolotov added, "a man who switched to service with Ukraine and enticed his fellow servicemen to go with him, thus wrecking the futures of many officers."

It is hard to overestimate the political danger of creating parallel military transport communications structures. Another bone of contention is being created within the united Black Sea Fleet, but the suggestion of the Black Sea Fleet command to the Ukrainian Defense Ministry chief of rear services that the existing system be preserved has received a negative answer.

The chief of the Black Sea Fleet Military Transport Communications service has put a similar proposal—to open negotiations with Kiev and prevent an accumulation of commands in Sevastopol—to the chief of the Russian Federation Defense Ministry Central Directorate of Military Transport Communications.

Sevastopol Administration Discusses Fleet

LD1509204493 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 15 Sep 93

[From the "Novosti" newscast]

[Text] The situation in Sevastopol after the Massandra meeting of the Russian and Ukrainian presidents was discussed at a joint sitting of the collegium of the town soviet of people's deputies and the state administration today. A statement for the media was prepared.

[Vladimir Plotnikov] Sevastopol and the Black Sea Fleet are in the center of the political struggle between Russia and Ukraine. The views of the servicemen, as well as residents and the administrations of Sevastopol and Crimea, however, have been ignored.

[Begin recording of I. Yermakov, representative of the Ukrainian president in Sevastopol] The Black Sea Fleet is a special problem and its solution is in the balance. No decision was made in Massandra; in fact, judging by the political hysteria of certain nationalist circles in Ukraine, Russia, and Crimea, the impromptu decision on Russia buying out half of the Black Sea Fleet can remain a political declaration. [end recording]

[Plotnikov] A new round of talks on the Black Sea Fleet is starting now. A Russian delegation formed in accordance with the presidents' decision in Massandra is arriving in Sevastopol tomorrow.

[Begin Yermakov recording] I would like to recall that the problem of the Black Sea Fleet, Sevastopol, and Crimea is a single problem, and as a possible solution I suggest the following: Sevastopol and Crimea become a free zone that would allocate appropriate territories to accommodate Russian and Ukrainian fleets on the basis of treaties. This arrangement will remove the issue of dividing up territories, etc. [end recording]

Navy Union Says Black Sea Fleet 'Anti-Ukrainian'

LD1609100193 Kiev UNIAR in Ukrainian 0708 GMT 16 Sep 93

[Text] Sevastopol, 15 Sep—"During the time of Ukrainian independence, the Black Sea Fleet has manifested itself to be an active, entirely anti-Ukrainian force," it is said in an appeal by the Ukrainian Navy Officers Union to the Defense Council of Ukraine. "The policy of constant concessions to Russia has put the Ukrainian Navy in a lamentable position in its own land. If the fleet's on-shore infrastructure and bases are transferred or sold to Russia, the process of further building the Ukrainian Navy will be checked." In view of the situation surrounding the Black Sea Fleet, the Navy Officers Union proposes that the Defense Council of Ukraine "should reject Russia's proposal for the Ukrainian part of the Black Sea Fleet to be sold to it; second, all on-shore infrastructure should be immediately made liable to the jurisdiction of Ukraine; and third, the division of the fleet should be started on the basis of the Yalta Agreement, and the call-up of Ukrainian citizens to serve in the Russian Navy should be stopped."

Politician Warns Against Violating Statehood

MK1509132193 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 38, 19 Sep 93 (signed to press 14 Sep) p A13

[Interview with Dmytro Pavlychko, leader of the Congress of National Democratic Forces, by Sergey Tikhiy under the "Ukraine" rubric; place and date not given: "Without Fleet, But With Kravchuk"]

[Text] The results of the talks between the Russian and Ukrainian presidents in Crimea have aggravated the political situation in Ukraine. The split in the national movement has widened. A process of realignment is under way but one that is not favorable for pragmatic forces. The leaders of the Congress of National Democratic Forces (CNDF), which was set up over a year ago as a counterweight to the anti-presidential "Rukh," have once again lent their support to Leonid Kravchuk. CNDF leader Dmytro Pavlychko explained what stood behind this step in an interview.

[Tikhiy] Can Leonid Kravchuk count on the CNDF's support after signing the Yalta documents?

[Pavlychko] Yes, undoubtedly. CNDF leaders agreed that the president should be supported despite the fact that we see the latest agreements as a humiliation for Ukraine. Russia dictated its conditions—I mean the sale of the fleet. Our pliancy would turn out beneficial for both countries only if the Russians actually comply with what they proposed: to lease the shore facilities for $10 billion, and we will buy oil wherever we like.

[Tikhiy] But Dmytro Vasilyevich, a month and a half ago a different decision was made in Zavidovo—that the fleet would be split equally and the formation of the Ukrainian Navy would begin on its basis. What is your view on so quick a retreat?

[Pavlychko] This was a forced reorientation. Even if the earlier agreements had been implemented, Ukraine would have to sell a part of the fleet all the same. The only question is to whom. We are afraid of Russia, which

was for centuries an enemy of Ukraine's statehood; Russia humiliated us as a people; Russia tried to russify us. However, we do not have any other option—we are looking for compromises because we understand that our relations with our neighbors and Ukraine's survival in general depend on the relations we have with Russia.

[Tikhiy] What do you think about the prospect for an economic union?

[Pavlychko] Talk that we should be tied to Russia alone in terms of market relations makes no sense. If the Mariupol Steel Combine wishes to sell its steel to Britain, no one will be able to force it to sell it to Russia. The market is in conflict with the old tendency toward creating an economic replica of the former Union.

[Tikhiy] Extremist forces in western Ukraine say they are ready to take any steps if the fleet is sold.

[Pavlychko] They should know in Russia that there are forces in Ukraine which are ready to die for Ukraine. It is not 1918 now, and no one will be able to destroy our statehood. If someone attempts to do this, there will be a lot of bloodshed. Whether we manage to consolidate all the national democratic forces, however, is another matter. We should stand for independence and Kravchuk, and we should move toward changing the parliament and adopting a new constitution. One can at least talk with Kravchuk; he is alone, so he can be persuaded, unlike 450 deputies.

Lvov Workers Protest CIS Economic Union, Demand Elections

WS1509122893 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 15 Sep 93

[Text] Lvov Oblast is ready to unanimously stand up for the independence and territorial integrity of Ukraine—this was the conclusion of the Political Consultative Council that summed up the results of massive strikes and meetings staged in the oblast's towns and villages.

The protest actions, initiated and organizationally supported by the council, involved the majority of enterprises, education institutions, and organizations. They cited the working teams' support of demands put forth by the Political Consultative Council and trade unions from Lvov Oblast as reasons why President Kravchuk should not sign an agreement on CIS economic union. The protesters also called for the government's immediate resignation, the formation of a new reform-minded government, a revocation of Supreme Council powers, and early democratic elections for the legislature. A relevant declaration was adopted saying that the Political Consultative Council coordinates activities of public and political organizations [words indistinct]. It coordinates its moves with other Ukrainian oblasts and the Kiev-based Coordinating Center, and organizes specific actions aimed at implementing common demands [passage indistinct]. It calls on people to travel en masse to Kiev on 20 September to picket the Ukrainian Supreme Council, assemble volunteer brigades and staffs [words indistinct].

Morozov Details Contacts With U.S. Military

AU1609091893 Kiev UKRAYINSKA HAZETA in Ukrainian No. 13 (26), 19 Aug-1 Sep 93 p 8

[Article by Colonel General Kostyantyn Morozov, Ukraine's Minister of Defense: "The Americans Did Not Put Pressure Upon Me, but Tried To Hear Me Out"]

[Text] At the invitation of U.S. Minister of Defense Les Aspin, following our meetings in Kiev on 6-7 June, a delegation of Ukraine's Ministry of Defense made a five-day visit to the United States.

The objective of the visit was to hold meetings and negotiations at all possible levels, to explain the situation in Ukraine and in its Armed Forces, to divulge the reasons for our concern about Ukraine's security, to substantiate the need for providing us with timely assistance, and to establish personal contacts with representatives of the U.S. high military leadership.

The program envisaged holding talks at the U.S. Defense Department on the problems of building Ukraine's defense and cooperation in this sphere, which is extremely important for us, and at the State Department—on the political situation in our country and relations with countries of the CIS and the world.

With a view to this, there were meetings with U.S. Vice President Mr. Gore, National Security Adviser Mr. Lake, Chairman of the Joint Committee of Chiefs of Staff Mr. Powell, Chief of Staff General Sullivan, command of the National Guard, Chief of Staff of the Air Force General Maffick, senators at the Capitol, and at the Atlantic Security Council, where I made a speech.

We had an opportunity to familiarize ourselves with the work of the U.S. Armed Forces national command post and to take part in the presentation of a joint Ukrainian-American enterprise for reprocessing outdated munitions. We were able to meet with representatives of the Ukrainian community in the United States, visit the joint command of the Naval Forces and its subordinate combat units and control posts. We held several news conferences and meetings with journalists and publishers.

Those were very busy days filled with painstaking work. We were encouraged by the fact that, wherever we were and whoever we talked to, we felt a significant change in attitude toward our state, less pressure and more desire to sort out problems of our state's security that concern us.

On 27 July, an important event took place: Mr. Aspin and I signed a memorandum on cooperation in the sphere of defense between our ministries.

It is an important political document, which is a record of intentions and ways to achieve mutual understanding and cooperation in matters of defense. It forms a foundation for developing ties at the level of military building and for shifting our mutual relations to a practical sphere. On the basis of this document, it was agreed to create joint working groups that will study questions of building our Armed Forces and recommend trends for their reform and development proceeding from the experience already accumulated by the two states.

From now on, we are partners in the sphere of defense and military cooperation. This agrees with our intentions to integrate within European and world structures on multilateral and bilateral bases.

Such a turn in our relations creates favorable conditions for the United States to elaborate and implement genuine, and not just formal security guarantees for Ukraine, something which is, perhaps, the most important precondition for ratifying START I by our parliament.

The first step in this direction was the discussion at the State Department of the conditions for signing the "framework" agreement for receiving from the United States $175 million for dismantling strategic missiles. This sum was not meant as a basis for full-scale dismantling, but only as an encouragement, so to speak, a starting sum, which may, logically, increase with the number of destroyed missiles.

We are now taking 10 nuclear installations with 60 warheads off combat duty. In accordance with the schedule, this work will be over by the end of September. Time will show what will come next. Ukraine has proclaimed itself as a nuclear-free state and this is stated in its military doctrine, which our parliament has, so far, failed to approve. We will firmly proceed along our course toward the total elimination of strategic weapons. However, Ukraine cannot resolve this problem on its own.

In order to eliminate the entire nuclear missile arsenal that we have received as a legacy, we will need at least $2 billion. Our talks in the United States, the cordial climate that prevailed at the meetings, and the memorandum give reason to expect that, in the future, Ukraine's economic and financial possibilities will be taken into account in resolving questions of expanding the aid.

It must be pointed out that in the United States, we were not confronted with the question of ratifying START I. They realize that the parliament is parliament, and it is its right to resolve such questions. The military must do their job. At present, 10 missile complexes are being dismantled in Ukraine. The warheads removed from them remain, under reliable protection, in our country to be used as fuel in the future. We are doing all of this on a unilateral basis and, so far, without any financial assistance. Therefore, there is nothing to censure us for. We are sincere and open to the world. That is why it hurts to find out that some people suspect us of secretly trying to decipher the secret codes that would enable us to retarget our missiles. Even THE WASHINGTON TIMES wrote about such revelations by the American intelligence.

All of these are groundless fabrications.

After I returned to Kiev, I read in UKRAYINSKA HAZETA of 5-18 August the information entitled "Belarus Has Already Ratified...." In it, Mr. Tsepkalo, adviser to the [Belarusian] Supreme Council chairman, sadly admits that his state no longer presents interest for the West. It had been promised $65 million for dismantling and withdrawing nuclear weapons, but as soon as the parliament ratified START I, the promises were forgotten. It is now the turn of "stupid" Ukraine.

What can be said here? First, I am not sure that what is written is really the case. Second, our parliament pointed out that it may adopt a decision to maintain a part of the nuclear arsenal. This will oblige our present partners to keep their promise.

Well, time will put things in proper order.

We are told: A memorandum has been signed with the United States, but not with Russia. I am in favor of signing such a referendum with our northern neighbor. However, here, a whole series of obstacles still need to be overcome. These are strategic forces, the Black Sea Fleet, and Sevastopol. Regarding Ukraine's security, we would say that it may be under threat when a policy of pressure, blackmail, territorial claims, interference into our internal affairs, and so on is pursued against it. Today, we are experiencing all of this from Russia. However, I am sure that our states will avoid serious complications. I am in favor of making every effort to establish normal relations between us. Efforts in this direction must not be stopped even for a moment. We need to consistently look for complete mutual understanding, which will lead to signing both treaties and memoranda. I personally have nothing against the idea of concluding a tripartite agreement between Ukraine, Russia, and the United States on cooperation in the defense sphere.

During our visit to the United States, nobody touched upon the question of elaborating a scenario of combat actions in the case of a deterioration in the relations between Russia and Ukraine because the Security Council decision and the participation in it of the U.S. permanent representative give hope that problems that arise may be resolved in a political way.

Our present security is based upon this and upon our self-restraint. However, we must build our home's defense reliably and thoroughly, realizing that nobody will defend us if we don't defend ourselves.

The Pentagon offered us assistance in assimilating the experience of the American professional service so that we could utilize everything useful in it for reforming our

defense structures. Groups of experts have already started work in this direction.

We are being reproached: You are establishing contacts with the American military, at the same time rejecting the idea of collective security involving CIS countries. What is the point here? It is simple: Independent states may join unions but without having their armed forces subordinated to some superstate military structure. This is a road toward losing state sovereignty. It is a different matter if this is done on an equal basis, like, for example, with the U.S. Defense Department. I am sure that the time will come when we will have similar relations with the Russian military. At the moment, we agree to a military-technological cooperation, because our defense enterprises are on the decline due to the absence of orders. We need assistance to enable us to stand on our own feet as soon as possible, to reform our troops, and see to it that they become smaller numerically and stronger in terms of weaponry and training. Today, it is extremely difficult to achieve this because of economic difficulties. The Ukrainian president was even forced to adopt a decision on downgrading the command and staff training. The press has already announced this. We will have to restrict ourselves to two- or three-day training aimed at establishing interaction between headquarters at all levels. Field training of regiments and battalions will take place in military districts in accordance with programs.

I admired the state of combat training of American servicemen. It is superb! I also happened to fly in their latest tactical fighter F-18, having made a flight landing on the deck of an aircraft carrier—splendid technology. It was a great pleasure, all the more so since, at home, at my post, I am not allowed to fly, and I cannot violate this rule—the minister should not show a negative example.

Incidentally, with regard to American closed bases, aircraft, and aircraft carriers: Our delegation included General Oleksandr Skipalskyy, chairman of Ukraine's Officers Union. At that very same time, deputies Charodyeyev and Marchenko published critical material on him in the press, accusing the general of disclosing such secrets to the Americans that it only remained to initiate a criminal case against him. We are still very much behind what we were shown in the United States. They disclosed to us such secrets that we could never dream of. Consequently, General Skipalskyy could not really "surprise" them with anything and did not disclose anything hitherto unknown. It is simply a pity that esteemed deputies displayed their incompetence and readiness to repeat other peoples' words.

Summing up my impressions of the trip to the United States, I will say briefly that it was not only my personal discovery of America but also a discovery of Ukraine for many American high-ranking military figures: first and foremost in that our state is not going to attack anybody but that it will be able to defend its own land.

Report on Sinking of Yugoslav Ships on Danube Refuted

LD1609101793 Kiev UNIAR in Ukrainian 0708 GMT 16 Sep 93

[Text] Odessa, 15 Sep—"Ostankino" TV has accused the crew of the Ukrainian ship "Kapitan Ilyukhin" of breaking through the Yugoslav sector of the Danube and sinking three Yugoslav cutters. Oleksiy Tyekhov, director general of the Ukrainian-Danube Shipping Company, sent a letter to "Ostankino" refuting this report which, in particular, states: "As the captain of the vessel stated, the motor ship passed through the mentioned sector of the Danube close behind the vessels, "Vasil Aprilov" (Bulgaria), "Khabarovsk," and "Viktor Ryabinin" (Ukrainian Danube Shipping Company). A UN observer was on the bridge of the "Kapitan Ilyukhin" during its passage and did not register any incidents.

According to Tyekhov the disinformation by "Ostankino" is aimed at undermining the navigation company's authority in the Danube. Tyekhov is demanding that "Ostankino" apologize to the Ukrainian Danube Shipping Company, otherwise the material will be passed to a court.

Accord With PRC on Personnel Exchanges Signed

LD1409154393 Kiev UNIAR in Ukrainian 0747 GMT 14 Sep 93

[Text] Kiev, 13 Sep—A delegation from the Key Personnel Training Directorate at the Public Security Ministry of the People's Republic of China has arrived. It is led by the chief of the Directorate, Mr. Wang Jingrong. A protocol of intentions has been signed, which makes provision for key military personnel exchanges. On behalf of the Ukrainian side, the protocol was signed by Ukrainian Deputy Interior Minister Lieutenant General Veniamin Partashevych. Mr. Zhang Zheng, PRC ambassador to Ukraine, took part in the conversation.

National Affairs

President Chairs Meeting To Discuss Fighting Crime

WS1609105993 Kiev Ukrayinske Radio First Program Network in Ukrainian 1900 GMT 15 Sep 93

[Text] Ukrainian President Leonid Kravchuk chaired a joint meeting of the Coordination Committee for Combating Organized Crime and the Ukrainian Interior Ministry Collegium. Measures aimed at combating organized crime, bribery, embezzlement of state property, and other [words indistinct] were discussed at the meeting. Given the current situation, the Interior Ministry, the Ukrainian Security Service, and other relevant agencies proposed complex measures to detect criminal groupings in the economy, control lawfulness of the state

property privatization, and introduce order in markets, stores, railroads, and roadways, etc. The Ukrainian Defense Ministry was advised to ensure the proper registration and storage conditions of arms, ammunition, and explosives, and the reliable protection of military facilities.

Currency Exchange Committee Suggests Regulation Measures

LD1509131993 Kiev Radio Ukraine World Service in English 0000 GMT 15 Sep 93

[Text] National Bank of Ukraine President Viktor Yushchenko intends, within a few days, to request President Kravchuk's support for abrogating the fixed rate of the Ukrainian karbovanets and mandatory sales of 50 percent of hard currency earnings by exporter enterprises imposed on 13 August along with other moves aimed at improving procedures for regulating currency circulation, Serhiy Bragin, chief of the currency control department of the National Bank of Ukraine, told a UKRINFORM correspondent after a session of the Ukrainian Interbank Currency Exchange Committee [UIBCE] on 13 September.

Vadym Hetman, UIBCE committee chairman, added that Yushchenko's decision was very resolute. Vadym Hetman considers the act of currency regulation procedure a mere additional tax imposed by the government. According to him, at least a third of exporter enterprises enjoy privileges making them exempt from mandatory hard currency selling. These enterprises include primarily engineering giants, like for instance the Dnepropetrovsk-based Southern Pipe Manufacturing Plant, the Nord factory in Odessa, and similar enterprises.

The National Bank of Ukraine stands for the introduction of a 100 percent mandatory hard currency selling at the exchange's rate, thus recognizing Ukraine's national currency as the only legal tender across Ukraine. This provision is contained incidentally in the draft law of Ukraine on currency regulation and control to be discussed soon by the Verkhovna Rada of Ukraine.

Edict on Favorable Conditions for Oil Shipping Firm

WS1509141793 Kiev Ukrayinske Radio First Program Network in Ukrainian 1000 GMT 15 Sep 93

[Text] The Ukrainian president has issued an edict on additional measures to secure oil shipments to Ukraine. Taking into account the hardships of the Ukrainian economy—primarily agriculture—caused by shortages of fuel and lubricants, and to complete the fall harvest and create advantageous conditions for attracting foreign investments in Ukraine, the Ukrainian president has decided to approve the initiative of the State Committee of Ukraine for Oil and Gas and the Ukrahrotekhservice Concern at the Ministry of Agriculture and Foodstuffs, with regard to involving the Swiss-Austrian Nordex group of companies in shipping crude oil to Ukraine on a compensation basis. The oil shall be obtained from Russian suppliers and a share of the profits shall be invested in the development of Ukraine's economic infrastructure.

The Ukrainian Cabinet of Ministers has been charged with resolving, within a period of one week and in compliance with significant regulations, the issue of granting the Nordex Group of Companies appropriate financial guarantees for advance shipments of oil to Ukraine. The State Committee for Oil and Gas should grant most-favored status to the Ukrahrotekhservice and the Nordex Group for the realization of the agreement signed between the latter on shipping oil to Ukraine and exporting compensation products. Within a period of one week, the State Committee for Oil and Gas and the Ukrahrotekhservice should be granted preferential loans for meeting commitments to the Nordex Group, regarding payment for oil received under the provisions of the agreement.

This edict comes into effect on the day of signing.

Concern for Army Recruitment Voiced

PM1609081793 Moscow IZVESTIYA in Russian 11 Sep 93 First Edition p 1

[Leonid Kapelyushnyy report: "Ukraine Starts Creating Professional Army"]

[Text] Odessa—As a civilian, I can judge the combat readiness of the Ukrainian Army only from reports in the open press. Quite honestly, they depress and bewilder me—the Ukrainian Army has not only inherited but also augmented all the sins of the former Soviet Army. God forbid that the state fight anybody, for it would find itself in a very grave position.

Since things in Ukraine with regard to patriotism are no better than with the stability of the karbovanets, the minister of defense has issued Order No. 158 defining the procedure for recruiting the new army intake under contracts.

The minimum recruitment period is three years. The calendar length of service for a pension is 20 years. Women are also accepted for service, although they can reckon on enlisting in the signal troops, rear services subunits, medical battalions, and staffs. The female soul, however, is mysterious and unpredictable, and so "variants are possible...."

The command is counting mainly on the soldiers, sergeants, and extended military service personnel who are on active service today. Approximately one-half of all personnel are preparing for demobilization in the fall, and maybe there will be guys among them for whom the hateful military service will become their favorite profession. Incidentally, it is also possible to return to service from the reserve, but only up to age 25.

The army needs squad leaders, deputy platoon leaders, driver-mechanics of tanks and infantry fighting vehicles, missile gunners, and simply soldiers who are capable of any military craft.

To be honest, the mercenary soldier cannot reckon on piles of money. A driver, for example, is being promised 77,000 karbovanets, a driver-mechanic 90,000, and a tank or infantry fighting vehicle commander 103,500 karbovanets. This is the whole income with payment for rank, for level of proficiency rating, etc. Converted into hard currency—and the dollar rate in Ukraine now is the compass in the raging ocean of hyperinflation—a rated soldier can make approximately 10 "greenbacks" a month. Compared with the general position of citizens, his income is twice as high as the theoretical poverty level.

True, professional soldiers will receive privileges, including free travel within the borders of the former USSR, a 50-percent rebate on rent and municipal services, free clothing and medical services, preferential passes to sanatoriums, and, as of 1 October, a food ration in accordance with the president's edict, but nobody knows exactly what it will be.

The command in the units is really counting on a professional intake in the first half of next year and is racking its brains over where to find housing for professionals and money for wages.

Belarus

Kebich Stresses Need for Economic Treaty With Russia

LD1409191293 Moscow ITAR-TASS in English 1734 GMT 14 Sep 93

[By BELINFORM for TASS]

[Text] Minsk September 14 TASS—"We will live even worse without the economic union," Belarusian Premier Vyacheslav Kebich told a government meeting to consider the economic results of the past eight months here today.

Kebich expressed the readiness to sign a bilateral treaty with Russia, since "it is the only source to satisfy our energy needs. Even if Belarus has enough hard currency, we will fail to purchase oil anywhere but in Russia, since world extraction and sales of oil have long been regulated and controlled by the OPEC".

The prime minister refuted claims a union with Russia threatens the republican sovereignty. "Certainly, there will be some concessions on our part, but Russia will have to do the same. This is only logical. There is not a situation to be beneficial only to one side," he noted.

The government meeting stressed the failure to stop economic recession. The national income reduced by 12 per cent this year, and industrial production dropped by 15.6 per cent.

Economists Assess Integration With Russia

WS1509111193 Minsk BELINFORM in Russian 1708 GMT 14 Sep 93

[Unattributed BELINFORM report: "Group of Economists Created To Assess Economic Relations of Belarus With Russia"]

[Text] Even an ordinary person can easily understand the great dependence of the Belarusian economy on Russia. A group of scientists has been tasked with assessing the degree of mutual integration of the Belarusian and Russian economies. The group includes over 20 leading economists of the Belarusian State Economic Planning Commission and the Russian Institute for Economic Prognosis. The group of experts is headed by Professor Feliks Klotsvog.

The first phase of work consisted of the development of economic ties between Belarus and Russia and their influence over the principal economic indexes. A thorough study of these and other issues is scheduled to be completed by late March 1994.

U.S. Experts Inspect Military Units

LD1509165593 Moscow ITAR-TASS in English 1456 GMT 15 Sep 93

[By BELINFORM for TASS]

[Text] Minsk September 15 TASS—A visiting group of U.S. military experts holds a trial inspection at three Belarusian military units.

In accordance with the international Treaty on Conventional Armed Forces in Europe, the American inspectors have already checked the available personnel and standard weapons against the lists at one of the units of the Rogachev Motorized-Rifle Division and the Minsk Higher Military Commandment School.

On Wednesday, they began to inspect an aviation regiment.

According to Major General Viktor Vakar, chairman of the Belarusian National Agency for Control and Inspections, a group of Belarusian military inspectors is simultaneously working at three U.S. Army units in Germany.

Belarus and the United States have earlier agreed to hold these large-scale, reciprocal trial inspections simultaneously and in accordance with the international Treaty on Conventional Armed Forces in Europe.

Cabinet Approves German Plan To Compensate Nazi Victims

WS1609110293 Minsk Radio Minsk Network in Belarusian 0700 GMT 16 Sep 93

[Text] The Cabinet of Ministers has approved a protocol on negotiations among Belarusian, Russian, and Ukrainian delegations on the implementation of the agreement signed between the governments of these states and the German Government on 30 March 1993 regarding citizens of these states who were victims of Nazi persecution. The agreement addresses the distribution of 1 billion German marks [DM] to compensate these citizens. The reached agreement with the German Government envisages the transfer of DM200 million to Belarus and DM400 million to Russia and Ukraine to their national bank accounts.

Finance Minister on Ruble, 'Economic Crisis'

WS1609091693 Minsk Radio Minsk Network in Belarusian 1200 GMT 15 Sep 93

[Text] A session of the Supreme Soviet Presidium is being held in Minsk today. Participants in the session have discussed the situation in the fuel energy complex and financial and credit policy, and have heard a report by Lukashenko [not further identified] on the implementation of Supreme Soviet decrees and the work of the commission for combating crime in state institutions.

Prime Minister Vyacheslav Kebich and the deputy ministers who are supervising the fuel energy complex and

the financial and credit system were invited to participate in the session. Unfortunately, the beginning of the session was rather embarrassing: There were no speakers on the first two issues. Nevertheless, the issues were discussed. A Supreme Soviet draft decree states that the Ministry of Finance and the National Bank have not used their full potential to stabilize the financial situation and monetary and credit relations in the Republic. [passage indistinct]

During the break, our correspondent Mikhail Rudkowski asked Finance Minister Stepan Yanchuk a few questions.

[Begin recording] [Rudkowski] How will the Ministry of Finance resolve this situation? Can it somehow affect the critical situation in the Republic?

[Yanchuk] The financial and credit policy was approved at the beginning of 1993 and we are strictly adhering to its provisions. The main postulates of this policy are: not to allow the breakup of the financial system in the Republic, to establish the extreme levels of the budget deficit, to strengthen our national currency, [words indistinct]. Currently, we are implementing the main principles of the financial policy. The budget deficit for the first six months was 3.6 percent while we had anticipated 6 percent. We have also limited the credit [words indistinct]. Credit and monetary policy has many aspects and we are adhering to those principles.

As for the economic crisis, I admit that it exists. It is the result of economic circumstances, the breakup of economic links, and the fact that Russia and certain other republics have reduced their deliveries of oil and other goods to Belarus. This is the reality. We must take steps, including the restructuring of our economy, its respecialization, and the renewal of traditional contacts.

[Rudkowski] Why does the Russian ruble and hard currency circulate in Belarus?

[Yanchuk] This has been specified by the Law on Banks and Bank Activities, which states that both Russian rubles and Belarusian payment notes can circulate in the Republic. Currently, we require such a situation. In the event that the Russian currency is withdrawn, our citizens will experience difficulties when traveling to Russia. We have another possibility; namely, to exchange Russian currency into Belarusian payment notes. We require a special agreement for this. We suppose that in future, the Russian ruble will be the only legal tender on the territory of the Republic. Why should we withdraw the Russian currency if we are going to use it in future?

[Rudkowski] Currently, some enterprise are going bankrupt and we are witnessing hidden unemployment.

[Yanchuk] Some industrial managers prefer hidden unemployment to the direct dismissal of employees. There does not exist any economic explanation for this issue.

[Rudkowski] All these issues are likely to be discussed at the upcoming Supreme Soviet session [words indistinct]. What will the government do to help alleviate the situation?

[Yanchuk] Yesterday, we defined measures for overcoming the crisis at the Cabinet of Ministers session. [Words indistinct] are of a very complicated nature. We will need not only the government's efforts, but also the efforts of Belarusian enterprises and industrialists. [end recording]

Shushkevich Sees 'Unprecedented' Crisis

WS1609092693 Minsk Radio Minsk Network in Belarusian 0300 GMT 16 Sep 93

[Text] On 15 September, Belarusian Supreme Soviet Chairman Stanislav Shushkevich said at the session of the Presidium of the Supreme Soviet: Our Republic is in an extreme crisis which is unprecedented in its extent. The Presidium has gathered to discuss the financial situation and the implementation of monetary and credit policy in Belarus.

The production output of consumer goods has decreased by 15 percent compared to the same period in 1992. Belarus is fully dependent on prices for Russian oil and energy resources. The financial imbalance in trade relations between Belarus and Russia has not been in our favor of late. Customs and tariff duties for metal, oil, and gas, which are being bought in Russia, raise the cost of Belarusian goods several times. Can the CIS six-party agreement on the creation of a unified ruble zone of a new type rescue Belarus? Opinions on this subject differ.

Moldova

Lebed's Election Said Sign of Russian Influence

MK1509115793 Moscow NEZAVISIMAYA GAZETA in Russian 15 Sep 93 p 3

[Natalya Prikhodko report: "Russian General Wins Parliamentary Elections in Dniester Region. Pavel Grachev's Visit to Chisinau Postponed"]

[Text] Lieutenant General Aleksandr Lebed, commander in chief of the Russian 14th Army, who was called the Dniestr region's man of the year in 1992, lived up to his popularity this year, too. At an election to the unrecognized republic's Supreme Soviet held the other day, 87 percent of the voters preferred his candidacy. Andrey Safronov, general director of a local news agency, came in a distant second with 6 percent of the vote.

The results of the voting, said Andrey Safronov, known here for his political commentaries, are attributable to the fact that the residents of Tiraspol voted not simply for Aleksandr Ivanovich, but for a Russian general who has the power of a Russian Army promise of calm and protection behind him. Hence, his election testifies

above all to the increase in Russia's influence in the Dniestr region, although Russia's interest in this has naturally not been publicized. However, a convergence of objective and subjective interests cannot be ruled out either. Therefore, the inference that a deputy's seat is only a first step for Lebed and that he would fly even higher—to the top posts of the Dniestr Republic—appears now even less fantastic. Thus he would join the cohort of combat generals who presently head various state entities.

Colonel Aleksandr Baranov, the commander in chief's aide, rejected this theory. According to him, as a purely military man, Aleksandr Ivanovich does not dream about a political career and is not intent on becoming president or chairman of the Supreme Soviet of the Dniestr Moldovan Republic (DMR). As a deputy, however, he plans to raise problems concerning the social protection of servicemen, their living and housing conditions, and so forth. When asked whether the general will continue his attacks on corruption among local authorities (attacks that will assume within the Supreme Soviet's walls the legitimacy of deputy's inquiries), Aleksandr Baranov remarked that this was the duty of any honest person.

Grigoriy Marakutsa, chairman of the DMR Supreme Soviet, was swift to embrace this view, adding that he would only welcome the fight against violations of the law when it is conducted in a civilized fashion. The Supreme Soviet chairman was fairly reserved in his assessment of the election of a Russian general to parliament, as he said in passing that Sergey Leontyev, chairman of the Grigoriopol rayon executive committee, for instance, was elected by just as wide a margin. Russia's deliberate efforts to expand its position in the region do not lie behind this event, either, he said. The reason is that, first, the DMR leaders, who have set their sights on the broadest cooperation with the Russian Federation from the outset, do not need any middlemen. Second, given the current popularity of Russian political circles, Aleksandr Lebed could hardly be seen as the sole and universal mouthpiece for expressing their interests. On the contrary, it is well known that the independence of his views suits far from all of the Russian establishment.

It is yet unknown how Russian officials reacted to the election of a Russian general to the Supreme Soviet of the unrecognized Dniestr Republic, which Russia does not recognize either. For unforeseen reasons Russian Defense Minister Pavel Grachev postponed his visit to Chisinau, which was scheduled for the near future, as explained by the Moldovan Defense Ministry's press service.

The Russian Embassy has not released any official comment on this subject. It did not actually have to because there has been no request for this explanation from the Moldovan Foreign Ministry, though the latter tends to be swift in lodging its protests (as recently regarding the arrival of Russian aircraft at a military airfield in Tiraspol that was not approved by the Moldovan authorities). Moldovan official circles also appear to pin their hopes on the general to some extent, because he has repeatedly called for speeding up the process of peace talks between Tiraspol and Chisinau. Of course, as Grigoriy Marakutsa pointed out, it would be wiser to judge Aleksandr Lebed's intentions by his actions, this time as a politician. It is the actions that will prove whether the numerous hopes and forecasts are right or wrong.

Snegur Signs Decree on Fighting Inflation

AU1509165793 Chisinau BASAPRESS in English 0744 GMT 15 Sep 93

[Text] Chisinau BASAPRESS, 15/9/1993—President Snegur signed a decree concerning changes in Moldova's financial crediting and currency policy for 1993. The President asked the Parliament to furnish him with full power, states a commentary of the [word indistinct] magazine "LOGOS PRESS", published today in "DNEVNOY EKSPRESS" (DAILY EXPRESS). For January 1st, 1994, the government established the limit of debt towards the Moldovan National Bank—126 billion rubles. Loans of commercial banks from the National Bank must not exceed 90 billion rubles. The total amount of centralised credits is limited to 216 billion rubles. Thus, the volume of allowed credits seems to have increased by 3.6 times. However, we should consider the variation of prices and other macroeconomic indexes, states "LOGOS-PRESS." In 8 months, prices increased by 5-6 times and by the end of 1993 inflation will exceed 1,000 percent. This way, it becomes clear that the president's decree has an anti-inflation character, states the commentary.

Kyrgyzstan

Parliament Chairman Meets U.S. Delegation

LD1409215993 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 1110 GMT 14 Sep 93

[Summary] Kyrgyzstan Parliament Chairman Cherimkulov has had a meeting with the visiting U.S. delegation, during which he answered their numerous questions concerning the new-style ruble zone, integration, the economic crisis, and the dispatch of military detachments to Tajikistan.

Talking about integration, he said that we need this and we also need an economic union that will not undermine our sovereignty. At the autumn session we will approve a foreign policy doctrine. It might be that the absence of this has caused misunderstanding in the relations with our neigbors after the introduction of the national currency.

Answering a question about the ruble zone, he said that joining it again would affect the republic's independence. This is my opinion, he emphazised, but deputies might have a different view. They might also have different views on the issue of sending troops to Tajikistan. We had to do this because of the agreement on collective security which was signed by the republic and ratified by the parliament.

In conclusion the visitors reaffirmed their intention to support Kyrgyzstan. A number of documents were compiled on the results of the talks.

Ostankino Correspondent 'Persona Non Grata'

LD1409182493 Moscow Russian Television Network in Russian 1600 GMT 14 Sep 93

[From the "Vesti" newscast]

[Text] The Government of Kyrgyzstan issued a special statement today officially declaring the Ostankino Company's own correspondent Vladimir Fedorov persona non grata in the republic. He is accused of inciting interethnic enmity and also of lack of patriotism. The Ostankino correspondent is charged with not adhering to the adage about not washing dirty linen in public. That is how it looks in the text of the statement.

In the opinion of our correspondent in Bishkek, the accusation against Ostankino's correspondent may mark the beginning of a campaign against Russian journalists. The embassy of the Russian Federation in Bishkek has asked the Government of Kyrgyzstan for an explanation of the incident in the context of interstate treaties and international standards of behavior.

Summoned to Procuracy

LD1509220193 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 15 Sep 93

[From the "Novosti" newscast]

[Text] Our colleague Vladimir Fedorov, correspondent of the Ostankino TV Company in Kyrgyzstan, was called to the procuracy today to give explanations. This action can be regarded as a second, very alarming, step after a statement by the republican government's press service yesterday in which Vladimir Fedorov was accused of no more and no less than incitement of interethnic differences. Evidently, his brilliant reports which give an objective account of life in the republic are very much to the dislike of some of the powers that be since the government document also expressed a desire that our colleague should be released from his post.

I am authorized to say that the TV company's management have no doubts whatsoever about the high professionalism of Vladimir Fedorov. We will fight for the honor and dignity of our correspondent.

Tajikistan

World Community Asked Not To Support Opposition

LD1609092793 Moscow ITAR-TASS in English 0848 GMT 16 Sep 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe September 16 TASS—The Tajik procurator-general's office called on the international community not to support anti-government armed groups and their leaders in neighbouring states.

A statement circulated by the office in Dushanbe on Thursday [16 September] notes that the political confrontation of 1992 fanned up by Tajik democratic Islamists developed into the fratricidal war.

"Islamists put at stake the lives of millions of their countrymen for the sake of their own selfish interests. They committed and continue to commit crimes against their own people," the statement runs.

The document stresses that putting themselves in opposition to law and the interests of society, Islamists "degenerated into common bandit groups straggling for power with the use of arms".

"Such forces are not regarded political opposition in a civilised world, since they stood in opposition both to the legally elected government and the entire people," the statement concludes.

Forces Engage Afghan Armed Group Near Pyanj

LD1609091393 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 16 Sep 93

[From the "Novosti" newscast]

[Text] [Announcer Aleksandr Ilyichev] All is not quiet on the Tajik-Afghan border. An Afghan opposition armed group of up to 70 guerrillas broke through from Afghanistan into Tajikistan on the sector of the second detail of the Pyanj Border Detachment on the night of 14-15 September. An INTERFAX correspondent has been told by well-informed sources close to the Russian border guards headquarters in Dushanbe, that subunits of the forces of Tajikistan's National Security Committee and Defense Ministry have already blocked this armed group and started an operation to eliminate them. Armor is being used in the combat operations.

Law Enforcement Groups Continue Dushanbe Operation

LD1609081293 Moscow ITAR-TASS in English 0648 GMT 16 Sep 93

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe September 16 TASS—One more 4-man armed terrorist gang, whose purpose was to stage acts of sabotage in Dushanbe and to destabilise the socio-political situation in the republic, has been rendered harmless in the capital of Tajikistan.

ITAR-TASS has learned from officials of the Tajik Interior Ministry that six submachine-guns, one carbine, explosives and large quantities of ammunition were confiscated from the terrorists during their arrest. This action was carried out within the frameworks of the ongoing large-scale "law and order" operation, launched by special units of the Interior Ministry and the Tajik National Security Committee. Law enforcement bodies have rendered harmless several other such terrorist gangs over the past two months, confiscating hundreds of automatic rifles and other firearms, as well as explosives.

Turkmenistan

President Addresses Plenum on New National Currency

LD1109134093 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 11 Sep 93

[By correspondent Kurban Babayev; from the "Novosti" newscast]

[Excerpts] At its plenary meeting Turkmenistan's only current political party defined its main guidelines, the bases of the new ideology. The plenum confirmed the draft concept of mass political work by the Democratic Party. [passage omitted]

The president spoke at the plenum and touched on the most important aspects of the country's internal life. In particular, he stressed again that the monat, the national monetary unit, which to be introduced in November will be freely exchangable in the republic for foreign currency. The exchequer is allocating $60 million for this purpose. Free prices are being introduced from October.

Deputy Premier on Currency Agreement With Russia

PM1609093193 Moscow IZVESTIYA in Russian 14 Sep 93 First Edition p 2

[Interview with Deputy Premier Valeriy Otchertsov by Vladimir Kovalevskiy; place and date not given: "Union Concluded Between Ruble and Manat"]

[Text] An agreement between Turkmenistan and Russia on mutual obligations and support in connection with the introduction of national currencies has been signed in Moscow. Our correspondent asked Valeriy Otchertsov, deputy chairman of the Turkmen Council of Ministers, who signed the agreement for the Turkmen side, to comment on the document.

[Otchertsov] The sides agreed to give one another comprehensive support and assistance during the introduction of a national currency in order to maintain its stability and to bring about convertibility. It was decided to consider mutual debt obligations as settled. Let me stress an important factor: No side will implement without mutual agreement any actions of a noneconomic character with the aim of limiting access to its markets. We also agreed to hold talks before 1 November 1993—that is the official date for the introduction of the manat—on the procedure for returning Turkmenistan's hard currency assets frozen by the USSR Bank for Foreign Economic Activity.

[Kovalevskiy] Recently a sensational report appeared to the effect that the exchange rate of the manat will be close to that of the U.S. dollar. Does the government intend to fix such a high exchange rate itself?

[Otchertsov] The rate will be determined by the market. Russian rubles will be sold on the Turkmen currency exchange. The ratio between the number of rubles put on sale and the supply of manats in the possession of enterprises and commercial structures will determine the rate of the manat. At the same time we will certainly not ignore our national bank's role in currency trading. It will of course adopt measures; there are hard currency reserves for this.

[Kovalevskiy] I have heard of reserves of $2-3 billion... Or is this a state secret?

[Otchertsov] There are sufficient reserves. Plus a surplus balance in foreign trade both with the former union republics, and with other foreign countries. Incidentally,

our optimism is shared by the IMF, with whose participation we have elaborated a program of transformations in the economy.

[Kovalevskiy] Let me pose an "awkward" question. Recently [President of Kazakhstan] Nursultan Nazarbayev, speaking on Russian television, said that Turkmenistan is prosperous through the gas complex built in the USSR by all the republics...

[Otchertsov] I would not make calculations about a neighbor's economy... But if you do make them, you should remember who cultivated the virgin lands in Kazakhstan and who built "Kazakhstan's Magnitka." Was it not the whole country? And then, even biased calculations will confirm that the construction of the gas complex was carried out at the cost of cheap gas. Moreover, the prosperity of many sectors of the country was based on our gas. And now to recalculate who got more and who got less... I would not want to develop this topic any further.

Niyazov Seeks Increased Cooperation With Iran

LD1409152993 Tehran IRNA in English 1231 GMT 14 Sep 93

[Text] Tehran, Sept. 14, IRNA—The Turkmen president, Saparmurad Niyazov, said in Ashgabat Monday [13 September] that cementing of friendly and brotherly relations is the prime objective of both Iran and Turkmenistan.

In a meeting with Iran's ambassador to Ashkhabad, Gholamreza Bagheri, Niyazov wishing success for President 'Ali Akbar Hashemi-Rafsanjani of Iran, said that despite the distress of certain countries, Iran and Turkmenistan are determined to increase their cooperation.

He expressed satisfaction with promotion of bilateral economic relations and said that Turkmen officials will visit Iran in the near future to follow up the agreements reached between the two countries.

The president called for speeding up the process of formation of the Caspian Sea Organization and said his country will make utmost efforts in this respect.

Both sides expressed satisfaction with the progress made on construction of Mashhad-Sarakhs-Tajan railroad and underlined the importance of linking of the two countries' railways at bandar Turkman of Iran and Kazandzhik of Turkmenistan.

They also discussed the forthcoming visit to Ashgabat of the Iranian president.

Armenia

Ter-Petrosyan Meets U.S. Envoy Talbott

NC1509160993 Yerevan ARMENPRES International Service in Armenian 1233 GMT 15 Sep 93

[Text] Yerevan, 15 Sep (ARMENPRES)—Armenian President Levon Ter-Petrosyan received Strobe Talbott, the special counselor at the U.S. State Department and the envoy of the U.S. President, yesterday.

The current regional situation, the role of the international organizations—particularly that of the CSCE—in the peaceful resolution of the Karabakh conflict, and matters related to enhancing the productivity of the processes taking place within that framework were discussed.

The envoy of the U.S. President had earlier visited Baku and Central Asian republics.

Presidential Adviser Accuses Turkey of Meddling

MK1609095093 Moscow NEZAVISIMAYA GAZETA in Russian 16 Sep 93 p 3

[Armen Bagratuni report on interview with David Shakhnazaryan, deputy of the Armenian parliament, under the "Opinion" rubric: "'Turkey Is a Party to the Karabakh Conflict on Par With Armenia.' Armenian Diplomat Does Not Believe Very Much in Current Settlement"; place and date not given]

[Text] Geydar Aliyev's victory in the recent referendum and his explicitly pro-Russian stance have prompted Turkish diplomacy to drastically step up its activity. Ankara, while promising the broadest possible support to Baku—including direct intervention in the conflict on its side—and displaying its power in the direct vicinity of Armenian borders, hopes to retain at least some part of its influence on the republic's new authorities. David Shakhnazaryan, deputy of the Armenian parliament and the Armenian president's special envoy (who recently submitted his resignation but has not been allowed to resign), said in an interview with NEZAVISIMAYA GAZETA that, in his view, the statement by the new Azerbaijani leader about reorienting his foreign policy toward Moscow was in many respects declaratory. In reality, the Azerbaijani-Turkish military and political tandem has been retained virtually unchanged. Currently, Mr. Shakhnazaryan said, the alliance of Geydar Aliyev and Tansu Ciller has been trying to exert coordinated pressure on Moscow to abandon its idea of playing the key role in pacifying the region. David Shakhnazaryan believes that actions by Baku and Ankara have been coordinated with Washington, which does not like Russia's new strengthening in Transcaucasia. This is the reason for the Turkish prime minister's statement that her country was intent on acting along parallel lines with Moscow and that if Russia deploys its troops in the conflict area, Turkey would also wish to send its peacekeepers to the region. Ankara's impartiality, however, raises very serious doubts, David Shakhnazaryan said. Turkish officers have long served as instructors in the Azerbaijani army and have even taken direct part in combat actions against Armenians. Some of them have been taken prisoner by the Nagorno-Karabakh self-defense forces. Moreover, Turkey is continuing a tight blockade of Armenia. If Ankara accuses Yerevan of aggression against Azerbaijan, then Turkey itself has long been directly drawn into the conflict and has become just as interested a party to it as Armenia. In addition, Ankara's desire to play a mediatory role along with Russia means that the Kremlin will have to heed such actions if Moscow accepts the rules of the game. That Russian officials have not yet commented on the goings-on makes one presume that the Kremlin is ready to accept shared influence, Mr. Shakhnazaryan stated.

The Armenian diplomat reckons that Geydar Aliyev, like his predecessors, is a proponent of using force in conflict settlement. Current talks with Karabakh and the renewal of a truce serve the sole purpose of buying time, bringing order to the country, and restoring the army, which has been completely demoralized after the defeats in Karabakh. If these plans are implemented, Azerbaijan, assisted by Turkey economically and militarily, will be able to launch new, large-scale combat operations against Nagorno-Karabakh. David Shakhnazaryan claims that Azerbaijan is currently planning to deliver powerful bombing strikes to Karabakh settlements and Armenian border areas. The air raids that are intended as a kind of punitive action are at the same time designed to demonstrate both Azerbaijan's unwillingness to make a genuine compromise and Russia's inability to play an effective role in bringing the conflict to an end.

Azerbaijani Shelling of Villages Reported 15 Sep

LD1509133993 Moscow ITAR-TASS World Service in Russian 1251 GMT 15 Sep 93

[By ARMENPRES-TASS correspondent]

[Text] Yerevan, 15 Sep—The Armenian village of Koti in Noyemberanskiy Rayon was shelled overnight from Azerbaijani territory by all types of artillery and Grad installations. This was reported by the ARMENPRES agency, citing the republican Defense Ministry. According to this source, two inhabitants of the village were wounded and there is some damage.

ARMENPRES also reported that "the village of Vazashen in Idzhevanskiy Rayon has been under fire since this morning." There are no reports of casualties.

Further on Shelling in North

NC1509152093 Yerevan ARMENPRES International Service in Armenian 1431 GMT 15 Sep 93

[Text] Yerevan, 15 Sep (ARMENPRES)—The cease-fire is being basically observed today on the Azerbaijan-Karabakh front.

Whereas, a tense situation has again arisen on Armenia's northern borders. From yesterday evening until this morning the Azerbaijani side has been continuously shelling the Armenian defensive positions at the border settlements in Noyemberyanskiy, Idzhevanskiy, and Tavushskiy Rayons using almost all types of weapons, including Grad launchers and tanks.

The Armenian forces had no choice but to retaliate. According to preliminary reports, there are no casualties on the Armenian side.

Parliament To Debate Draft Constitution

NC1509173193 Yerevan ARMENPRES International Service in Armenian 1429 GMT 14 Sep 93

[Text] Yerevan, 14 Sep (ARMENPRES)—After the summer recess the Armenian parliament resumed its regular seventh session.

It is obvious that heated debates will take place during the sessions on the draft constitution, since in addition to the so-called official version drawn up by the Constitutional Commission, there is also the joint version drawn up by the opposition forces, the Council of Constitution of Civil Consent, which represents six political parties active in Armenia. Some days ago, this joint version was submitted to the Supreme Council as a legislative initiative. There are also a number of other alternative drafts.

At today's Supreme Council sitting the deputies argued for a few hours on the session's agenda but failed to approve it.

Azerbaijan

Aliyev Speaks With Demirel, Hashemi-Rafsanjani

NC1509192393 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 15 Sep 93

[Text] Chairman of the Supreme Soviet Geydar Aliyev, who is executing the powers of the Azerbaijani president, held telephone conversations today with the Turkish President Suleyman Demirel and Iranian President Hashemi-Rafsanjani.

Matters pertaining to the peaceful settlement of the Armenian-Azerbaijani conflict were discussed during the conversation with the Turkish president. Suleyman Demirel said that some days ago he contacted Armenian President Levon Ter-Petrosyan on the resolution of the Karabakh crisis. Demirel said that Turkey has not changed its stance on this issue and demands the unconditional withdrawal of all Armenian armed forces from the occupied territories of Azerbaijan.

Geydar Aliyev and Suleyman Demirel also exchanged views on the settlement of a number of issues of mutual concern.

Bilateral relations formed the core of the telephone conversation between Geydar Aliyev and Iranian President Hashemi-Rafsanjani. Hashemi-Rafsanjani briefed Aliyev on his telephone conversations with Russian President Boris Yeltsin and Armenian President Levon Ter-Petrosyan. In referring to the Karabakh problem, Hashemi-Rafsanjani noted that during the telephone conversation it was ascertained that Moscow holds the same view on this matter. [as heard] Hashemi-Rafsanjani said that the troops should be withdrawn from Azerbaijan's occupied lands with the efforts of all sides; the bloody conflict should end, and the demands set forth in the UN Security Council resolutions must be met.

During his conversation with the Armenian president, the Iranian president said that the tense situation existing on the border regions with Iran is causing serious concern and said that the Armenian leadership will finally act with reason and prudence on the solution of the Karabakh conflict.

Geydar Aliyev informed the Iranian president that Armenia's forces have not yet pulled out of Kubatlinskiy Rayon and because of this it has not been possible to send back the peaceful residents.

Geydar Aliyev also expressed his gratitude for the humanitarian assistance provided by the Iranian leadership to the tens of thousands of refugees.

Azerbaijan's domestic and foreign policy problems were also discussed during the telephone conversation.

Additional Evidence Reported in Terrorism Case

LD1509234593 Baku Radio Baku International Service in English 1700 GMT 15 Sep 93

[Text] Igor Khoskovskiy, a correspondent of the newspaper (TILSIT), which is published in the Russian town of Kaliningrad, has been detained in Baku while making an attempt to commit an act of terrorism. While searching, they found a clockwork explosive, a camera, a tape recorder and a calculator on him. Igor Khoskhovskiy has confessed that he was recruited by Armenian intelligence agencies as he informed an (INA) newspaper correspondent in the law enforcement bodies of this republic.

The purpose of his visit to Azerbaijan was to commit acts of terrorism in vitally important objectives, chiefly in Baku. While searching Khoskovskiy's two women accomplices, the employees of law enforcement bodies of Azerbaijan discovered on them photographic films with a description of strategically important objectives located on the territory of Azerbaijan. The Ministry of National Security of Azerbaijan has taken up the prosecution of Khoskovskiy.

Defense Ministry Details Attack on Kazakhskiy Villages

NC1509122993 Baku ASSA-IRADA in English 1139 GMT 15 Sep 93

[Text] Baku, 15.09.93 (ASSA-IRADA)—Today, at night, September 15 Armenia launched to concentrate massed fire on populating areas of the border Kazakhskiy District of Azerbaijan ASSA-IRADA correspondent was told in the Defence Ministry of Azerbaijan. The fire was centered by guns and Grad launchers on the district centre of Kazakh during 5 hours. It caused lots of ruins. Two civilians were killed, 13 are wounded. There are ruins in the villages Fazanli, Dash-Salakhli Kadzhmadly, Ali-Bayramli, Kemerli. The detachments of Azerbaijani Army by order of the commandership, do not give way to provocation and do not open the back fire.

Five Reported Killed

NC1509191293 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 15 Sep 93

[Text] We have just received a report from the Defense Ministry's Analytical-Information Center. At a time when the possibility has arisen to halt the military operations, the Armenian Government, being displeased with the contact established between the Azerbaijani side and the representatives of the Armenian community in Karabakh, is trying to create obstacles to such contacts.

In pursuance of this policy, Kazakhskiy Rayon, the rayon center, and the border settlements came under fierce artillery, Grad and rocket shelling from the Armenian territory at 2250 on 14 September. The shelling continued until 0815 on 15 September. There was substantial material damage in the rayon center and in other settlements. Five peaceful residents were killed, and 15 were seriously injured.

National Assembly Session Postponed to 18 Sep

NC1509173393 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 15 Sep 93

[Text] To the attention of the members of the National Assembly: The regular session of the National Assembly will be held on 18 September.

Party Views on Membership in CIS Cited

NC1509131093 Baku ASSA-IRADA in English 1139 GMT 15 Sep 93

[Text] Baku, 15.09.93 (ASSA-IRADA)—Azeri authorities aim to enter C.I.S. What about political forces? Political parties "New Azerbaijan", "Independent Azerbaijan" also consider joining the community as the only way out of economic crisis, the newspaper AZADLYG says. Social-democrats reckon this step of the Azeri authorities to be the most reasonable way and they do not think that it can jeopardize independence. The opposite parties and movements—Popular [People's] Front of Azerbaijan, "Musavat", National Independence, Democratic parties—are categorically against the entry into the C.I.S. The "True Way" and "Civil Solidarity" parties have not yet expressed their attitude to this question.

Academy of Sciences Supports Membership in CIS

NC1509193193 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 15 Sep 93

[Text] A report from the Governing Board of the Azerbaijan Academy of Sciences says that the scientists of the academy have analyzed the existing political and economic situation in the Republic. We, the members of the Governing Board, are informing the people on the views of the scientists: Azerbaijan must become a member of the CIS. This is necessary not only for political and economic stability, but also because the severance of the ties with the former Soviet republics is threatening the future of our science. Lately, we have been unable to cooperate with any of the scientific institutions training expert cadres. Membership in the CIS would also mean the restoration of scientific ties. Therefore, we are supporting the steps taken in this direction by the experienced and far-sighted leader [Aliyev].

Georgia

Shevardnadze's Activities Reported 15 Sep

Asks Students for Cooperation

LD1609110893 Tbilisi Radio Tbilisi Network in Russian 1500 GMT 15 Sep 93

[Text] Today Eduard Shevardnadze, the head of state and chairman of the Supreme Council of the Republic of Georgia, appealed to young students of the Republic to display reasonable behavior at this time of difficulty for the country and to exert the maximum efforts to raise and enrich the cultural standard of the people. The state is to be created by you, despite the fact that you speak various languages and have various political and religious standpoints and various ethnic and personal interests. The future of Georgia is in your hands, it says in the appeal.

Arrives in Kutaisi

LD1509200993 Moscow ITAR-TASS in English 1923 GMT 15 Sep 93

[By ITAR-TASS correspondent Andrey Palaria]

[Text] Moscow September 15 TASS—Georgian leader Eduard Shevardnadze arrived in Kutaisi on Wednesday [15 September] night to familiarize himself with the situation in the west of Georgia.

Over the past 24 hours the situation in Georgia developed rapidly. First reports received by ITAR-TASS on

Wednesday morning showed that the situation in the west of Georgia, predominantly controlled by supporters of ex-president Zviad Gamsakhurdia, had sharply deteriorated.

At night on September 15, detachments led by Loti Kabalia launched a large-scale offensive at the government troops. The press centre of the Georgian Defence Ministry reported that several armoured carriers of rebels backed by infantry regiments reached the Tskhenis-Tskali river and attempted to make a breakthrough across a bridge opening the way to the strategically important transport point Samtredia.

Several hours later, detachments loyal to Gamsakhurdia launched an offensive in another strategically important direction in the area of the village of Dzhapan at a crossroad of a railroad and a highway connecting central Georgia with Black Sea ports of Batumi and Poti.

Shevardnadze, addressing a session of the Georgian parliament at midday on Wednesday, said that Gamsakhurdia's supporters had practically attempted to isolate Poti and Batumi from the rest of Georgia. Casualities were reported on both sides. Nine civilians were killed and many wounded people were taken to Lanchkhutsk regional hospital.

On September 15, Shevardnadze's aides were informed that armed formations loyal to ex-President Gamsakhurdia and led by Loty Kobalia decided to seize the settlement of Vani in the west of Georgia. Gamsakhurdia's supporters have brought guns nearer to the village and asked the population to surrender. Gamsakhurdia's supporters declared that they intend to seize the settlement of Zestafoni and blow up the Tsipsky tunnel.

Georgian Defence Minister Georgiy Karkarashvili, who had met with his Russian counterpart Pavel Grachev in Moscow on Wednesday, declared that the Georgian Defence Ministry would take all possible measures for the peaceful solution of the conflict in the west of Georgia and prevent the escalation of the conflict. Late on Wednesday the Georgian defence minister is to arrive in Kutaisi for consultations with Eduard Shevardnadze about concrete measures for the stabilisation of the situation in the west of Georgia.

Discusses Situation in Kutaisi

LD1609083993 Moscow Mayak Radio Network in Russian 0543 GMT 16 Sep 93

[Report by IPRINDA correspondent Zurab Dvali for Mayak Radio from Tbilisi; from the "Panorama" program]

[Text] [Announcer Lyudmila Semina] Here is a telephone call from Tbilisi. The situation in Georgia has been the main topic in our reports today. Zurab Dvali go ahead.

[Dvali] Good morning.

[Semina] Good morning.

[Davali] Yesterday evening the head of the Georgian state, accompanied by Irakliy Patiashvili, chief of the Intelligence Service, and a number of other officials urgently flew to Kutaisi. There, jointly with the town's authorities and the command of the government forces, the situation that has arisen in west Georgia was discussed. As was said in a conversation with us by Temur Shashiashvili, the mayor of the town of Kutaisi, there are sufficient forces of police, Army, and Mkhedrioni in order to deal with the armed Zviadists.

However, the hope that the opposing side will change its mind, unwillingness to shed the blood of compatriots, and the absence of the appropriate decree of the head of state, are compelling them for the time being to refrain from vigorous operations.

Such a stance by the official authorities was interpreted in a fairly peculiar way by the formation of Loti Kobalia, Gamsakhurdia's closest comrade-in-arms in Mingrelia. Confident of their strength and guided by the plan for action drawn up in Groznyy, the Zviadists are little by little expanding the zone of their influence. According to data from the Republic's Intelligence Service, the texts have been intercepted of the instructions to the supporters of the former president, which are regularly sent from Groznyy by Zviad Gamsakhurdia. The president of Georgia in exile, as Zviad Konstantinovich [Gamsakhurdia] likes to call himself, calls on his confederates to step up the armed confrontation, to subjugate two regions bordering on Mingrelia, Guria, and Imeretia, and, most importantly, to blow up the Inguri hydroelectric power station, thus depriving a considerable part of the Republic of electricity.

If one takes into account that thanks to the endeavors of these people the Georgian population has to line up for bread for hours, then the lack of electricity, according to the design of the former president, would intensify the people's dissatisfaction with the local authorities even more, and so the chances of Gamsakhurdia returning [to power] would become greater.

In connection with this, as was noted in an interview to Georgian television by Avtandil Ioseliani, the Republic's deputy internal affairs minister, it is a pity that a certain number of the people from the Kobaliya formations that fought back side by side with the government units in Abkhazia, have become a blind weapon in the hands of a third force that has succeeded in setting Georgians against one another.

The result has come quickly. According to a report by the Defense Ministry of the Republic of Georgia, at dawn today the Abkhaz separatists resumed combat operations in the Ochamchira sector. They blew up a bridge near the locality of Tamysh and carried out an attack on the villages of Labra and Bezlakhuba. Georgian formations had to join battle with them. Here it is probably worth mentioning the recent statement by the National Democatic Party of Georgia which predicted such a

course of events. In the view of the National Democrats, the events in the Mingrelian region and the processes taking place in Abkhazia, are part of one common plan in accordance with which these forces are operating.

Gamsakhurdia Forces Make 'Mass Attack' on Lanchkhuti

LD1509203293 Moscow Mayak Radio Network in Russian 2000 GMT 15 Sep 93

[Text] Here is a report that we have just received. Our special correspondent Aleksandr Ukhov reports that troops loyal to former president Zviad Gamsakhurdia are making a mass attack on the town of Lanchkhuti, the home town of the current head of state [Shevardnadze]. According to official government information, nine people have been killed, more than 100 wounded, and ten Georgian Ministry of Defense soldiers have been taken hostage.

The offensive is assisted by heavy armor. At this time Georgia's sea ports are completely cut off, and the roads linking western and eastern Georgia with the center of the country are cut. Heavy fighting is taking place over the railroad in the Samtredia area. If this major railhead is cut off, Georgia's rail network will be paralyzed.

The Ministry of Defense issued a statement which says it will not allow anarchy and schism in Georgia.

Georgian head of state Eduard Shevardnadze is currently in Kutaisi. The republic's Defense Minister Georgiy Karkarashvili has also left for Kutaisi by plane.

Supporters Deny Using Force

LD1509173993 Tbilisi IBERIA in Georgian 1400 GMT 15 Sep 93

[Text] Zugdidi, 15 Sep—IBERIA's correspondent in Zugdidi today contacted Merab Chakhua, a representative of the so-called Information Service of the Republic of Georgia [set up by Zviad Gamsakhurdia's supporters], who said that reports that Loti Kobalia's armed units had used force to take control of two villages in Lanchkhuti Rayon were not true. He said that the units had entered these villages at the request of the people and that 500 fighters of the Guria-Imereti regiment had defected to Loti Kobalia. His armed units were refraining from entering Lanchkhuti only because they wanted to avoid provocations. Chukhua stressed that since there had not been fighting, nobody had been killed.

Kobalia's 'Illegal Formations' Enter Village

LD1609102193 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 16 Sep 93

[Text] Our special correspondent, Revaz Osepaishvili, told us this morning from Chokhatauri that yesterday afternoon, one group of Loti Kobalia's illegal formations entered the village of Nogha in the section of Chokhatauri-Samtredia highway in the Samtredia rayon and fortified its position at the Tskhenistskali River.

The group deployed heavy weapons in the residential area, one armored personnel carrier bearing the caption, Zestafoni, among them. The group remained there all night long and did not resort to maneuvers.

An attack from another direction was also expected but the residents of Chokhatauri blocked off every entrance using their local forces and the night in every rayon of Guria was quiet.

Abkhazians Launch Attack Near Ochamchira

LD1609081393 Moscow ITAR-TASS in English 0657 GMT 16 Sep 93

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow September 16 TASS—Abkhazian units staged a short offensive operation today, at 05.40 in the morning, at the Merkula-Aradu-Ochamchira section. The main combat operations took place near the bridge across the Kodori River, a spokesman for the press service of the State Committee for Emergency Situations of the Russian Federation told ITAR-TASS.

By 09.00 the offensive potential of the Abkhazian units was exhausted, and the sides went over to the position exchange of fire. Observation posts of the provisional control groups were not fired at.

Fighting Resumes in Abkhazia

LD1609095093 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 16 Sep 93

[Text] Our correspondent has just got through to Sukhumi on the telephone line and recorded this report from Roin Beria, an employee of the Sukhumi press center headquarters of the Georgian Armed Forces.

[Begin recording] [Beria] By 0600, an attack was launched [by Abkhaz separatists] in the direction of Tsagera, Aradu, and Merkula where automatic weapons as well as heavy weapons was used.

In fact, they are at the approaches of Aradu, and they are taking relevant measures to eradicate all this.

[Unidentified correspondent] Who? Our forces?

[Beria] Yes, our forces. I have talked to the headquarters of Brigade No. 24 where I was told that there were enough forces to eradicate all this and that heavy weapons would be used by us because we are forced to.

Battles are continuing in the region of the Kodori River.

Although it is quiet in Sukhumi, the situation is tense there. We are expecting the same events as occurred at Tamysh in July where assault landing troops landed. It will be just a trick pretending that they are going to

attack from that direction but in reality, they [Abkhaz separatists] are getting ready to storm Sukhumi.

In fact, all this is the result of what is going on in west Georgia and, in my opinion, an alliance between those dark forces [Gamsakhurdia supporters] and Abkhaz separatists who want to destroy Georgia, has become evident. [end recording]

Abkhazia Ministry, Human Rights Body Issue Statement

LD1609101493 Tbilisi Radio Tbilisi Network in Georgian 1500 GMT 15 Sep 93

[Text] A joint statement issued by the Ministry of Information and the Human Rights and Interethnic Relations Committee of the Autonomous Republic of Abkhazia says that following the signing of the cease-fire agreement in Abkhazia there was hope that a lasting peace would soon be restored. Such a peace, however, must also be established in the minds and hearts of people. This must be promoted by the mass media, representatives of the intelligentsia and various political parties and movements and, naturally, the government itself.

Terrible things happen during a war. Of course, it is necessary to speak about such incidents, if only because criminals sooner or later must be punished. However, in this case the Abkhaz mass media have set themselves the goal of confirming in the consciousness of a certain part of the population of Abkhazia hatred to another part. They present things as if cruelty to people happens only from one side, namely the Georgian side.

But hatred cannot be permanently one-sided. We call on our opponents to stop the rabid nationalist propaganda. We also have at our disposal material and documents not in any way proving the humaneness of the opposing side, the more so in that following the signing of the Sochi agreement it seems to us that the inflaming of passions is not in the interests of the multiethnic population of Abkhazia.

Abkhaz Supreme Soviet Chairman Interviewed

PM1609094193 Moscow KRASNAYA ZVEZDA in Russian 15 Sep 93 p 2

[Interview with Vladislav Ardzinba, chairman of the Supreme Soviet of the Republic of Abkhazia, by Ivan Sergeyev, datelined Gudauta and Moscow; date not given: "Vladislav Ardzinba: War is the Argument of Weak Politicians; They Foisted War on Us"]

[Excerpt] [passage omitted] [Sergeyev] Events have forced you to assume the duties of head of the Abkhazian armed forces. What have been the most difficult moments and episodes connected with the post of commander in chief?

[Ardzinba] The most difficult thing is going through the daily casualty reports. Our people are not numerous. You know many people by name. In my village of Eshery there is an old man called Ezuhkbay, I know him very well, he had five sons.... Four have died.... Time and again I am strengthened in my opinion that war is the argument of weak politicians. They foisted it on us.

[Sergeyev] Vladislav Grigoryevich, it seems that peace has begun in Abkhazia, does it not?

[Ardzinba] To my great regret I must say that there is serious concern over the fulfillment of the 27 July agreement. The Georgian troops were supposed to have been withdrawn before 1 September, but they are still in Abkhazia. According to our information quite a lot of armored equipment and artillery has been hidden away. Furthermore, there are quite a lot of people still in Sukhumi who fought against us.

[Sergeyev] In that case, how do you see the return of the legitimate organs of power there?

[Ardzinba] Indeed, there are no prospects here. The Georgian side is trying to revise a point in the Sochi agreement, which clearly states: After the separation of the opposing sides the work and normal activity of the legitimate organs of power that existed there prior to 14 August 1992 are to resume. But the discussion of this question has not begun. All this makes one view the present situation with alarm.

[Sergeyev] But let us assume the best outcome: The parliament headed by you returns to Sukhumi. What will happen to the people and inhabitants of that city who fought against you?

[Ardzinba] I have already been asked that question on Abkhazian Television. I set out our position clearly.

There are people who did not want to take part in the war and who left the Republic. What claims are there against them? There are those people who were forced to bear arms and sent into the trenches. They, too, should not bear responsibility. As for those who brought these troops here, urged them to make war, and took direct part in the mass repressions against the population, they must be held accountable under the norms of criminal law.

[Sergeyev] Are you satisfied with the work of the tripartite Joint Commission for the Settlement in Abkhazia? First and foremost with the Russian side headed by Sergey Shoygu....

[Ardzinba] In my view Sergey Kozhegutovich has excelled. As for the overall course of the negotiation process there are many areas of vagueness and uncertainty here. The question of the peacemaking forces has not been resolved. Yes, the troops have been disengaged. But when there is no guarantee of stability, people may take up arms again. In addition, we do not fully understand the Russian leadership's "grand" policy. Down here in Abkhazia we are still a long way from a definitive solution of the disputed military-political questions but up there at the top they are talking about signing a treaty on friendship and cooperation between Russia and Georgia.

Nevertheless, we will have favorable memories of the work of the Joint Commission and of all those who took part in it. Even if only because for over a month now there has been no gunfire, no bloodshed, and no deaths. [passage omitted]

Lithuania

LDDP Chairman Assesses Russian Troop Withdrawal

WS1609113893 Vilnius TIESA in Lithuanian No. 172, 5 Sep 93 p 3

[Article by Justinas Karosas, Seimas deputy and chairman of the Lithuanian Democratic Labor Party, LDDP, faction: "The Time of Reconcilement?"]

[Text] The previous week was filled with nervous expectations and sincere, general joy. The agreement between Russian President B. Yeltsin and our President Algirdas Brazauskas on the withdrawal of Russian troops from Lithuania according to a formerly coordinated schedule, removed not only the focus of the complicated relations with our neighbor but also the reason that had disturbed the quiet flow of our political life. This agreement also laid the foundation for concord.

Being aware of the fact that agreements with Russia become real only when implemented, Lithuanian politicians, as well as the entire nation, were anxiously looking forward to 31 August. Thank God, this day was not disappointing: The last train with Russian soldiers crossed the Lithuanian border 15 minutes before midnight. Certainly, not everything went according to plan. Having no instruction from their superiors, Moscow's generals did not arrive to sign the document outlining the Russian troop withdrawal. Anyhow, the most important point of the agreement was implemented—the foreign Army left Lithuania. This eased the political tension that had prevailed in Lithuania the previous month and deterred the solution of other, particularly pressing economic problems.

When today one tries to recollect last week's denouement, one cannot miss certain moments. The first of them is the exaggerated suspicion toward the current government and the president in resolving the issue of normalizing relations with Russia. Some politicians who regard themselves as the only true saviors of Lithuania hurried to call our government activities treason. The most interesting thing was that the Lithuanian Conservatives, lead by V. Landsbergis and G. Vagnorius, and the Centrists and the Social Democrats headed by R. Ozolas and A. Sakalas, respectively, were together among the ranks of Lithuania's saviors and foreign policy experts.

However, as one could expect, the events took such a turn that victory came about quietly and with tact, rather than as a die-hard position. It is this type of diplomacy, based on the understanding of one's own interests and those of their partners, that is effective in moving toward late-20th-century Europe and normalizing our relations with Eastern and Western neighbors.

The second aspect that came to light during the recent diplomatic war with Russia was a clear loss of the sense of reality. Some of our politicians, assessing our not-very-trustworthy partner, expressed doubts about the necessity of a special Eastern policy, and proposed to turn to the West alone. Last week, one liberal—the author of the "Time Signs" column [in LIETUVOS RYTAS]—who had lost the elections and was permanently angry with the current authorities, expressed his direct surprise with the fact that Lithuania has not yet given up on Russia and turned to the West. I think that it would be wonderful if we could become the West by merely turning to it. Unfortunately, the reality is such that we will be the West to the East and vice versa for a long time. That is why our foreign policy must be balanced.

The lack of the sense of reality was also reflected in some politicians' idea that the problem of the Russian Army withdrawal must not be associated with other agreements with this country. Certainly, it would be good not to associate these issues, but are they not linked in reality? If there is a harsh conflict in the withdrawal issue, it is difficult to imagine how we could discuss other questions, particularly economic and trade problems, with the same partner. That is why the presidents' agreement on the Army withdrawal from Lithuania is also extremely significant in regulating economic and trade relations with Russia. Normalizing these relations is particularly important for our economic viability.

Today, when the Russian Army is no longer present in Lithuania and when we are opening to a clean page in the history of two sovereign states, one would like to see our national, rather than narrow, party interests written on that page.

Slow Progress in Polish Negotiations on Treaty

LD1509222593 Warsaw PAP in English 2130 GMT 15 Sep 93

[Text] Vilnius, Sept. 15—No major breakthrough was achieved during another round of Polish-Lithuanian negotiations on a bilateral treaty held in Vilnius on Wednesday [15 September] but head of the Polish delegation Deputy Foreign Minister Iwo Byczewski expressed his satisfaction that certain progress was made.

The negotiations began last June, with the sides having agreed to the majority of articles of the document. The controversial fragments of the treaty concern the rights of the national minorities and the Polish-Lithuanian relations in the inter-war period.

On Wednesday, the sides managed to agree some, but still not all, disputed questions related to the national minorities' rights. However, neither the Polish deputy foreign minister nor his Lithuanian counterpart Vladislavas Domarkas wanted to release any details.

According to the Lithuanian side, the basic issue still not settled is the problem of a historical declaration which is to assess Polish-Lithuanian relations in the inter-war

period. Domarkas reaffirmed that Lithuania still maintains the position that the declaration should be signed simultaneously with the treaty. He acknowledged that this issue may substantially protract the negotiations.

According to Iwo Byczewski, historical issues probably will not be discussed before the treaty is agreed.

Negotiations on Belarusian Border Continue

WS1609091493 Vilnius ELTA NEWS BULLETIN in English 1300 GMT 15 Sep 93

[From ELTA "NEWS BULLETIN" No. 332]

[Text] Vilnius, Sept 14, ELTA—An ordinary round of talks on Lithuanian-Belarusian border delimitation and demarcation began in Vilnius between delegations of both states.

Lithuanian delegation is led by Deputy Foreign Minister Vladislavs Domarkas and Belarusian—by special envoy Stanislav Ogurcov.

Lithuania has state borders with Latvia, Russian Kaliningrad enclave, Poland and Belarusia. This summer, the first bilateral agreement on the land border with Latvia was signed and sea border with Latvia has been still negotiated.

Lithuanian-Belarusian border is the longest—about 725 km. Up to now, its is neither delimited or demarcated.

Negotiations on the question have begun in January, 1992, and are going on with interruptions.

Resolution on Visas for CIS Citizens

WS1509132693 Vilnius TIESA in Lithuanian No. 170, 3 Sep 93 p 7

[Government Resolution No. 660 issued in Vilnius on 27 August: "On the Introduction of Visas for Citizens of the Commonwealth of Independent States, the Republics of Georgia, Azerbaijan, and Moldova"]

[Text] Implementing the law "On the State Border of the Republic of Lithuania" ("Government News" 1992 No. 20-592), the Government of the Republic of Lithuania hereby decrees:

1. To establish that:

1.1. Beginning from 1 October 1993, citizens of the CIS and the Republics of Georgia, Azerbaijan, and Moldova are allowed to enter the Republic of Lithuania only with passports from their respective states valid abroad;

1.2. Until 1 November 1993, citizens of the Russian Federation—permanent residents of Kaliningrad Oblast—are allowed to enter the Republic of Lithuania with domestic passports that bear an inscription of their permanent residence in Kaliningrad Oblast;

1.3. Beginning from 1 November 1993, a visa regime is introduced for citizens of the CIS and the Republics of Georgia, Azerbaijan, and Moldova.

2. Following Article 14 of the agreement between the Republic of Lithuania and the Russian Soviet Socialist Federative Republic on the principles of interstate relations signed on 29 July 1991, and Article 7 of the agreement between the Republic of Lithuania and the Russian Soviet Socialist Federative Republic on cooperation in economic, social, and cultural development of Kaliningrad Oblast of the Russian Federation, the Ministry of Foreign Affairs of the Republic of Lithuania, together with other interested ministries and government services, as well as with competent institutions of the Russian Federation, must hold consultations on the issue of the introduction of visas and submit an adequately coordinated document on the visa regime to the Government of the Republic of Lithuania by 25 September 1993.

3. To authorize the Ministries of Foreign Affairs, Interior Affairs, and Justice to submit by 15 September 1993 to the Government of the Republic of Lithuania for approval the rules on the issuing of visas; the arrival, stay, and transit of foreigners; and proposals concerning the administrative and criminal responsibility of foreigners for violations of the rules of entry, stay, transit, and departure of the Republic of Lithuania.

4. To authorize the Ministries of Transport and Defense and the Finance Ministry Customs Department to prepare and submit by 25 September 1993 to the Government of the Republic of Lithuania proposals on immediate measures in imposing order in the infrastructure of border and transit points.

[Signed] Prime Minister Adolfas Slezevicius
Foreign Affairs Minister Povilas Gylys
[Dated] 27 August 1993, Vilnius

Landsbergis, Jursenas Hold News Conferences

LD1509123493 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 15 Sep 93

[Report by correspondent Algirdas Usas from the Seimas Radio studio]

[Text] Two news conferences were held within the period of two hours, and journalists had a chance to talk to six people.

The first interlocutor was Seimas Chairman Ceslovas Jursenas. He spoke about the work of the Lithuanian Seimas. It is nice and symbolic that before the opening of the first session, a statement on the withdrawal of the Russian troops was made. At the present one, the third session, an resolution to the United Nations was adopted stating that the troops have already been pulled out.

According to Ceslovas Jursenas, the Seimas started the session normally and is carrying out its functions: Legislation and constitutional supervision.

A deplorable fact of legal nihilism has also come to surface; high-ranking state officials declare that they will defy the laws and a certain group of Seimas members have expressed their solidarity with them. This is double, or even more than double morality of the right-wingers, Ceslovas Jursenas said. How long can we remain patient, the Seimas chairman asked rhetorically.

Vytenis Andriukaitis, Petras Papovas, and Vytautas Buinevicius, members of the Seimas, commented on the proposed amendments to the Constitution.

Members of the Seimas and the leaders of the Fatherland's Union—the Lithuanian Conservatives, Vytautas Landsbergis, and Gediminas Vagnorius took part in the news conference held by the Seimas opposition—the Tevynes Santara [Fatherland's Concord].

According to Vytautas Landsbergis, the case of the Lithuanian Bank is an example of antinational policy. Once again Lithuania is being compromised regarding her prestige, morality, and economic losses. The president and the prime minister are also being compromised. The Lithuanian Democratic Labor Party crisis could also be seen in this, Vytautas Landsbergis said.

According to him, apart from the incident with the bank, the negotiations with Russia that are currently under way cannot be regarded calmly because Russia's objective is clear—to draw Lithuania into a military union and to subjugate her economically. Then there are attacks on the voluntary National Defense Service. This is similar to the events in Georgia, Azerbaijan, or even Estonia, Vytautas Landsbergis said.

Gediminas Vagnorius criticized the work of the government, labelling it as the patching of holes policy, because there is no clear cut action plan, financial and economic measures in the market economy are not being considered.

It looks as though the ruling party has realized that they would not be able to do anything and are giving up, ex-Prime Minister Gediminas Vagnorius, said at the news conference.

Ministers Brief LDDP Seimas Faction on Issues

WS1609105493 Vilnius TIESA in Lithuanian No. 170, 3 Sep 93 p 2

[Report by Tomas Alksnis: "Economy's Wheels Are Squeaking"]

[Text] Yesterday, the Lithuanian Democratic Labor Party [LDDP] Seimas faction held a meeting on burning economic issues. The event was attended by Prime Minister A. Slezevicius, Lithuanian Bank Board Chairman R. Visokavicius, Economy Minister J. Veselka, Finance Minister E. Vilkelis, Industry and Trade Minister K. Klimasauskas, Agriculture Minister R. Karazija, and a group of industrialists from Kaunas.

Opening the meeting, K. Klimasauskas noted that so far Lithuania, having no proper law on statistics, has based its existence not on fact but on rumor. The minister explained that if he wanted to find out about the actual situation in the country, he always considered two sources of information—the data of the Statistics and the Customs Departments. For example, statistics show that the foreign trade turnover this year is 4.1 billion litai, while customs data say that it has already exceeded 6.2 billion litai. Thus, which one is to be trusted? On the other hand, most economic units base their statistical data on so-called comparative prices that are almost impossible to compare with anything.

The purpose of this twisted information is singular—to evade taxes. According to E. Vilkelis, all attempts at normalizing their payment have failed. In early August, the state budget deficit ran at 300 million litai, while in the beginning of this year it was a mere 70 million. Certainly, not tax evasion alone is to blame for this. However, one of the most urgent recent problems is the mutual indebtedness of economic units. The struggle against tax evaders will become fiercer. A finance police unit has opened in Vilnius, and much hope is pinned on it.

Speaking of indebtedness among enterprises, J. Veselka holds that several reasons have brought the economy to this situation—a very low U.S. dollar exchange rate that is choking export firms, a disregard by commercial banks of the government decision to extend interest to a 60-percent interest rate, and the lack of working capital.

According to R. Karazija, the debt of food processing enterprises to farmers has increased even more. In his opinion, Lithuania should categorically decide whether it needs agriculture or not. Naturally, our market could be swarmed with cheap Western products, but what would Lithuanian farmers live on? According to the minister, only 10 percent of the farmers "have caught a firm hold" of their land, 20 percent are wavering, while the remaining 70 percent are farmers only in name because they actually do nothing on their recovered land, and just wait and search for any opportunity to lease it as soon as possible.

At the meeting government members spoke about new laws and amendments that the Seimas must adopt immediately. Industrialists would like to amend the privatization law so that they can privatize their debts together with enterprises. Economists will propose amending the law on state enterprises. The new draft provides for state enterprises to be managed not by workers' collectives but by government appointed commissioners. It also plans to abolish state stock enterprises.

Agrarian Bank Chairman on Privatization

WS1509123093 Vilnius TIESA in Lithuanian No. 170, 3 Sep 93 p 4

[Article in a series by Lithuanian Agrarian Bank Chairman Pranas Vilunas under the "Discussion Continued" rubric: "Once Again on Bank Privatization"]

[Text] This TIESA discussion was begun (20 August 1993) by Povilas Milasauskas, member of the Lithuanian Bank board.

I can understand the position of Mr. R. Visokavicius' [Lithuanian Bank chairman] subordinate and his personal incentive to echo his boss. The latter said at a meeting between the Lithuanian president and bankers that even while heading the "Litimpex" bank he had dreamed of ruining state stock banks and spreading their "baskets" among commercial banks. Much mud was slung at the Agrarian, State Commercial, and the Savings Banks. The Lithuanian people were urged not to buy their stock and threatened bankruptcy and ruin. The aforementioned banks were called indebted and so on. This prolonged campaign employed the method of winning over clients by offering them credit accounts in all commercial banks, despite the fact that this may hamper mortgaging and control over credit returns and may lead to "bad" loans, although state stock banks are being cursed for them.

One should not always hide behind World Bank, Swiss, IMF, and U.S. experts.

It is regrettable that the Swiss Government's financial aid for Lithuanian banks is being wasted on ruining and "scattering their baskets" rather than strengthening the overall system. Unfortunately, the Swiss concept lacks any analytical thought and is full of subjective ideas and the wish to additionally burden the state budget by transferring to it the "doubtful" debts of disbanded banks. Who would refuse to acquire a bank branch with deposits and without debts that would be transferred to the state, that is, to all Lithuanian people?

One should not forget that due to inflation the problem of "doubtful" debts has lost its meaning and scope, and it is not worth resolving on the state level. Moreover, banks have a possibility of covering losses on unpaid "doubtful" and "bad" debts at the expense of profits reaped from other credits. Thus, I maintain that the idea that the write-off of debts to the domestic state debt would have a positive effect on the entire economy is absurd. The domestic debt must not only be paid, but also serviced. Credit reserves (suppose, inhabitants' deposits) must be frozen and interest paid. Is Finance Minister E. Vilkelis expecting such R. Visokavicius' "gifts" from "bank baskets" so that the latter were more pleasant for the purchaser? It is untrue that such a measure would have a positive effect on the bank system. Credit resources would be frozen as the domestic state debt. This might have a positive effect on the "Litimpex" bank alone, if it received a basket with deposits but no debts.

In a letter of 5 August to the prime minister, the finance minister, the economy minister, and the chairman of the Securities Commission, World Bank representative Mr. (Siegelbaum), in response to R. Visokavicius' request for assistance in the campaign of "ruining" state stock banks, raised a great many questions and doubts regarding the Swiss proposal.

The letter says that it would be inexpedient to suspend the privatization of the Agrarian and Savings Banks. It also proposes the creation of an appropriate legal, normative, and control basis which is essential for the Lithuanian Bank to be capable of controlling the activities of other banks. The World Bank representative also stresses that the department headed by you, Mr. P. Milasauskas, has little control experience. Until there are good laws, normative acts, and enforcement bodies, the reconstruction of state banks, as Mr. (Siegelbaum) points out, may fail to reach the goal of creating a safe, sound, and competitive bank system.

One cannot disagree with the concern that if the government fails to resolve the problem of indebted state enterprises and to prepare a policy of financing state investments through the budget, the issuing of credits through the bank system will "produce" new ineffective loans. Thus, according to the World Bank, both the banks with neat balances and the new banks, originating from the disbanded state banks, can become insolvent again and may require repeated capitalization. This would negatively affect the financial discipline of enterprises. The head of the World Bank mission expresses a well-grounded doubt that local private banks may be unable to purchase or manage the offered "branch baskets."

Mr. (Siegelbaum) raises a number of other problems that are not worth bothering the reader. I would only like to mention one of them—how the Lithuanian Bank will acquire the right to merge and later disband banks, considering the fact that the government is not a single stockholder at the Agrarian Bank. It is clear to everyone that according to the law of the Republic of Lithuania, any decision on merging or splitting banks, or any other reorganization for that matter, must be adopted at stockholders' meetings by a two-thirds majority vote. Stockholders, however, purchased the Agrarian Bank stock as a whole. The chain embraces 46 branches that are of different profitability and risk. One must not undermine the trust of the Lithuanian people in the adopted laws, government resolutions, privatization, and stockholders' rights because this also weakens their trust in the authorities.

The reader may know how our neighbors—the governments of the Nordic countries—tried to save their private banks by injecting $25 million into their capital. Are

these attempts to finance private banks after "privatizing" Lithuanian state stock banks according to the proposed model? Mr. P. Milasauskas claims that our state commercial banks are unique. Their statutes are not in line with the law on commercial (stock) banks, and they themselves are not yet registered with the Lithuanian Bank. That is why the existence of a two-tier bank system is merely declarative. What a philosophy! He has raised state stock banks to the upper level. Is this not why the Lithuanian Bank leaders become allergic to these banks? No, gentlemen. The banks we are talking about are not exceptional. You have granted no privileges to them, and they work under more difficult conditions. It is not their fault. These banks may be trusted more since Seimas and government decisions have thus far allotted larger centralized resources to them for extending preferential credits.

The statutes of these banks fully conform to the law "On Commercial Banks," and they were corrected and approved by Lithuanian Bank leaders. It is true that you did not implement this law and register the functioning banks within two months. You also delayed the possibility for the Agrarian Bank to increase its stock capital by 10 million litai, which our stockholders had decided to accomplish as far back as May.

However, the stockholders' patience is not without limits. Our bank board has already applied to court because the refusal to register the Agrarian Bank is a violation of the law.

It is improper to manipulate figures to deceive the reader. We were reproached earlier with the burden of 51-percent capital as being an overly large for the state, without disclosing that the banks themselves formed this state share. We are hearing laments today that the share of state votes is too small. They say that preferential stocks of the Agrarian Bank have brought the number of state votes down to 26.4 percent. However, this is obviously misleading. I can confirm will all responsibility that the state has 35 percent of the votes in our bank, and that it can execute its own policy in issues that require a two-thirds vote.

There is a proverb: "As the call, so the echo." We implement all Lithuanian Bank instructions—both right and arbitrary. We would like to have mutual trust because we know that the National Bank must enjoy great moral prestige, and it must be fair to all banks. This is what debtors, stockholders, and bankers are expecting.

Party Calls Central Bank Policy 'Disastrous'

WS1509104793 Tallinn BNS in English 1856 GMT 14 Sep 93

[Text] Vilnius, Sept 14, BNS—The monetary policy carried out by the country's central bank is "disastrous to the economy of the Republic of Lithuania," the Presidium of the Lithuanian Social Democratic Party [LSDP] says in a statement circulated Tuesday [14 September].

The president should dissolve the central bank's board immediately and form a temporary leadership, said Audrius Rudys, member of the parliamentary LSDP faction.

All five vice chairpersons of the central bank signed under a statement which expresses their refusal to replace the bank's chairman, Romualdas Visokavicius, if he is suspended by the president or the parliament.

The monetary policy of the current central bank's board, which was formed in April, is considered successful and promising by the International Monetary Fund.

Last week, the public prosecutor of Vilnius accused Visokavicius of abusing his authority. The prosecutor's office claims the state incurred considerable losses when a 20-million-litas credit line to agriculture was distributed by the commercial Litimpex bank. The central bank rejects the accusation as groundless.

The incident with the 20 million "is a practical pretext which we consider even unnecessary," Rudys said on Lithuanian radio Tuesday. The social democrats stress their dissatisfaction with the bank's monetary policy. In this respect they support Visokavicius' view that the case against him is "political."

The LSDP Presidium says the central bank's policy "is beneficial only to political groups which represent minor social classes and major capital."

The LSDP commissioned its parliamentary faction to make the necessary arrangements for a vote of confidence in Visokavicius.

The social democrats are not disturbed by the fact that the bank's policy is fully supported by the IMF, Rudys said at a press conference. He claims the central bank conceals certain information: "when a fax comes from the IMF with a warning not to do this or that, it is hidden in a drawer and only one or two bank officials find out about it."

Vytenis Andriukaitis, also a member of the LSDP faction, added that "IMF officials also point to certain negative aspects of the bank's activities, for example - the administration of commercial banks, considerable fluctuations of hard currency rates, etc."

Rudys said "the bank's leaders made decisive steps without going deep enough into the essence of the matter and without understanding their effect."

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